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BEFORE THE
ILLINOIS COMMERCE COMMISSION

BENCH MEETING

(PUBLIC UTILITY)

Chicago, Illinois
Wednesday, December 7, 2011

Met, pursuant to notice, at 10:30 a.m. in
N801, Eighth Floor, 160 North LaSalle Street,
Chicago, Illinois.

PRESENT:

DOUGLAS P. SCOTT, Chairman

LULA M. FORD, Commissioner

ERIN M. O'CONNELL-DIAZ, Commissioner

SHERMAN J. ELLIOTT, Commissioner
via videoconference

JOHN T. COLGAN, Acting Commissioner
via videoconference

SULLIVAN REPORTING COMPANY, by
Alisa A. Sawka, CSR, RPR
License No. 084-004588

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PROCEEDINGS

CHAIRMAN SCOTT: Pursuant to the provisions of the Illinois Open Meetings Act, I now convene a regularly scheduled Bench Session of the Illinois Commerce Commission. With me in Chicago are Commissioners Ford and O'Connell-Diaz, and with us in Springfield are Commissioner Elliott and Acting Commissioner Colgan. I'm Chairman Scott. We have a quorum.

Before moving into the Agenda, according to Section 1700.10 of Title II 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 Bench Session. According to the Chief Clerk's Office, we have no requests to speak at today's session.

(Whereupon, the Transportation Agenda is contained in a separate transcript.)

CHAIRMAN SCOTT: Moving on to the Public

1 Utility Agenda. We'll begin today with approval of
2 minutes from prior Commission Meetings. Up first are
3 minutes from our November 8th Regular Open Meeting.
4 I understand amendments have been forwarded.

5 Is there a motion to amend the
6 minutes?

7 COMMISSIONER FORD: So moved.

8 CHAIRMAN SCOTT: Is there a second?

9 COMMISSIONER O'CONNELL-DIAZ: Second.

10 CHAIRMAN SCOTT: It's been moved and seconded.

11 All in favor say, Aye.

12 (Chorus of ayes.)

13 CHAIRMAN SCOTT: Any opposed?

14 (No response.)

15 CHAIRMAN SCOTT: The vote is 5 to nothing and
16 amendments to the November 8th ROM minutes are
17 adopted.

18 Is there a motion to approve the
19 minutes as amended?

20 COMMISSIONER O'CONNELL-DIAZ: So moved.

21 ACTING COMMISSIONER COLGAN: So moved.

22 CHAIRMAN SCOTT: Is there a second?

1 COMMISSIONER FORD: Second.

2 CHAIRMAN SCOTT: It's been moved and seconded.

3 All in favor say, Aye.

4 (No response.)

5 CHAIRMAN SCOTT: Any opposed?

6 (No response.)

7 CHAIRMAN SCOTT: The vote is 5 to nothing and
8 the November 8th Regular Open Meeting minutes as
9 amended are approved.

10 We also have approval of minutes from
11 our November 8th Joint Policy Committee Meeting. I
12 understand amendments have been forwarded.

13 Is there a motion to amend the
14 minutes?

15 COMMISSIONER FORD: So moved.

16 CHAIRMAN SCOTT: Is there a second?

17 COMMISSIONER O'CONNELL-DIAZ: Second.

18 CHAIRMAN SCOTT: It's been moved and seconded.

19 All in favor say, Aye.

20 (No response.)

21 CHAIRMAN SCOTT: Any opposed?

22 (No response.)

1 CHAIRMAN SCOTT: The vote is 5 to nothing and
2 the amendments to the November 8th Policy Committee
3 Meeting minutes are adopted.

4 Is there a motion to approve the
5 minutes as amended?

6 COMMISSIONER O'CONNELL-DIAZ: So moved.

7 CHAIRMAN SCOTT: Is there a second?

8 COMMISSIONER FORD: Second.

9 CHAIRMAN SCOTT: It's been moved and seconded.

10 All in favor say, Aye.

11 (Chorus of ayes.)

12 CHAIRMAN SCOTT: Any opposed?

13 (No response.)

14 CHAIRMAN SCOTT: The vote is 5 to nothing and
15 the November 8th Policy Committee Meeting minutes as
16 amended are approved.

17 Turning next to the Electric Portion
18 of today's Agenda. Item E-1 concerns commencing a
19 reconciliation proceeding involving Mt. Carmel Public
20 Utility Company over revenues collected under fuel
21 adjustment charges. Staff recommends entry of an
22 Order commencing the proceeding.

1 Is there any discussion?

2 (No response.)

3 CHAIRMAN SCOTT: Is there a motion to enter the
4 Order?

5 ACTING COMMISSIONER COLGAN: So moved.

6 CHAIRMAN SCOTT: Is there a second?

7 COMMISSIONER ELLIOTT: Second.

8 CHAIRMAN SCOTT: It's been moved and seconded.

9 All in favor say, Aye.

10 (Chorus of ayes.)

11 CHAIRMAN SCOTT: Any opposed?

12 (No response.)

13 CHAIRMAN SCOTT: The vote is 5 to nothing and
14 the Order is entered.

15 We will use this 5 to nothing vote for
16 the remainder of today's Public Utility Agenda unless
17 otherwise noted.

18 Item E-3 concerns a filing by
19 MidAmerican to update its Rider 12, Nuclear
20 Decommissioning Factor to retain the existing rate of
21 zero cents per kilowatt hour. Staff recommends
22 approving the Company's request by not suspending the

1 filing.

2 Is there any discussion?

3 (No response.)

4 CHAIRMAN SCOTT: Any objections?

5 (No response.)

6 CHAIRMAN SCOTT: Hearing none, the filing will
7 not be suspended.

8 Item E-3 is the remand of Docket
9 No. 07-0566, ComEd's 2007 rate case. This item will
10 be held for disposition at a future Commission
11 Proceeding. I believe the deadline for that is
12 February 23rd of 2012.

13 Item E-4 is Docket Nos. 11-0279 and
14 11-0282 consolidated. This is the rate cases for
15 Ameren's electric and gas operations and before us
16 today is the Company's motion to sever the electric
17 docket from the gas docket and dismiss the electric
18 proceeding. This matter will also be held for
19 disposition at a future Commission proceeding.

20 Either ALJ Yoder or Albers, are there
21 any public comments that we need to take mind of?

22 JUDGE ALBERS: Yes. We would just let you know

1 that yesterday and this morning the Commission
2 received 256 letters asking the Commission to deny
3 the motion to sever and terminate the electric
4 docket.

5 CHAIRMAN SCOTT: Thank you.

6 Items E-5 and E-6 can be taken
7 together. These items are Applications for Licensure
8 as an Agent, Broker and Consultant under Section
9 16-115C of the Public Utilities Act. In each case
10 ALJ Yoder recommends entry of an Order granting the
11 requested Certificate.

12 Is there any discussion?

13 (No response.)

14 CHAIRMAN SCOTT: Any objections?

15 (No response.)

16 CHAIRMAN SCOTT: Hearing none, the Orders are
17 entered and the Certificates are granted.

18 Item E-7 is Docket No. 11-0713. This
19 is AEP Energy Retail Partner's Application for a
20 Certificate of Service Authority to operate as an
21 alternative retail electric supplier. ALJ Wallace
22 recommends entry of an Order granting the requested

1 Certificate.

2 Is there any discussion?

3 (No response.)

4 CHAIRMAN SCOTT: Any objections?

5 (No response.)

6 CHAIRMAN SCOTT: Hearing none, the Order is
7 entered and the Certificate is granted.

8 Item E-8 is Docket No. 10-0732. This
9 is Lou Kusay's complaint against Ameren concerning
10 improper billing. ALJ Albers recommends entry of an
11 Order denying Mr. Kusay's complaint.

12 Is there any discussion?

13 (No response.)

14 CHAIRMAN SCOTT: Any objections?

15 (No response.)

16 CHAIRMAN SCOTT: Hearing none, the Order is
17 entered and the complaint is denied.

18 Item E-9 is Docket No. 11-0308. This
19 is April Hudson's billing complaint against ComEd.
20 ALJ Riley recommends entry of an Order dismissing the
21 proceeding without prejudice.

22 Is there any discussion?

1 (No response.)

2 CHAIRMAN SCOTT: Any objections?

3 (No response.)

4 CHAIRMAN SCOTT: Hearing none, the Order is
5 entered and the matter is dismissed.

6 Item E-10 is Docket No. 11-0366. This
7 is Patricia Callion's complaint against ComEd. ALJ
8 Sainsot recommends entry of an Order dismissing the
9 proceeding with prejudice.

10 Is there any discussion?

11 (No response.)

12 CHAIRMAN SCOTT: Any objections?

13 (No response.)

14 CHAIRMAN SCOTT: Hearing none, the Order is
15 entered and the matter is dismissed.

16 Item E-11 is Docket No. 11-0404. This
17 is Kemberly Martin's complaint against ComEd. ALJ
18 Sainsot recommends entry of an Order dismissing the
19 complaint without prejudice for want of prosecution.

20 Is there any discussion?

21 (No response.)

22 CHAIRMAN SCOTT: Any objections?

1 (No response.)

2 CHAIRMAN SCOTT: Hearing none, the Order is
3 entered and the matter is dismissed.

4 Items E-12 and E-13 can be taken
5 together. These items are customer complaints
6 against ComEd. In each case the parties have
7 apparently settled their differences and have brought
8 a Joint Motion to Dismiss the matter, which the ALJ
9 recommends we grant.

10 Is there any discussion?

11 (No response.)

12 CHAIRMAN SCOTT: Any objections?

13 (No response.)

14 CHAIRMAN SCOTT: Hearing none, the Joint
15 Motions to Dismiss are granted.

16 Turning now to Natural Gas. Item G-1
17 concerns commencing reconciliation proceeding for
18 various Illinois natural gas utilities concerning
19 revenues collected under gas adjustment charges.
20 Staff recommends entry of an Order commencing the
21 proceedings.

22 Is there any discussion?

1 (No response.)

2 CHAIRMAN SCOTT: Any objections?

3 (No response.)

4 CHAIRMAN SCOTT: Hearing none, the Order is
5 entered.

6 Item G-2 is Docket No. 06-0346. This
7 concerns a petition filed by Nicor in 2006 seeking
8 confidential and/or proprietary treatment for its
9 money pool activity report. ALJ Sainsot recommends
10 dismissing the docket without prejudice.

11 Is there any discussion?

12 (No response.)

13 CHAIRMAN SCOTT: Any objections?

14 (No response.)

15 CHAIRMAN SCOTT: Hearing none, the matter is
16 dismissed.

17 Items G-3 and G-4 can be taken
18 together. These items concern reconciliation
19 proceeding for AmerenCILCO, an Illinois gas company,
20 over revenues collected under gas adjustment charges.
21 In each case ALJ Albers recommends entry of an Order
22 approving the reconciliation.

1 Is there any discussion?

2 (No response.)

3 CHAIRMAN SCOTT: Any objections?

4 (No response.)

5 CHAIRMAN SCOTT: Hearing none, the Orders are
6 entered.

7 Item G-5 is Docket No. 11-0046. This
8 is the AGL-Nicor merger case and ALJ Gilbert
9 recommends entry of an Order approving the
10 reorganization subject to the conditions identified
11 in the Appendix to the Order.

12 Commissioner O'Connell-Diaz, I believe
13 you have some revisions you'd like to introduce here?

14 COMMISSIONER O'CONNELL-DIAZ: Thank you,
15 Mr. Chairman.

16 First of all, I'd like to thank all
17 the parties that were involved in this docket as well
18 as Judge Gilbert for giving the Commission a clear
19 record and a good Order. With that said, there's
20 some changes -- three changes that I have proposed to
21 enhance this Order. And this is to address some
22 concerns relative to the fact that the Company that

1 is going to be the successor entity is, in fact, an
2 out-of-state company at this point in time. And in
3 order to, you know, keep things going forward in
4 Illinois, we felt it was -- or I should say, I felt
5 it was important to have these changes reflected in
6 the Order to ensure appropriate Illinois
7 representation.

8 The first change that I have proposed,
9 and it has been circulated among my colleagues, is
10 that we note that under the provisions of the Act the
11 Commission has a longstanding policy that we
12 encourage Illinois-regulated entities to be involved
13 in the economic development and social programs in
14 our communities. And based on this rationale, the
15 Commission finds it reasonable and in fulfillment of
16 those goals that the Joint Applicants by committed to
17 maintaining Nicor Gas's proactive stance on economic
18 development within Illinois.

19 In furtherance of this requirement, we
20 direct that the Joint Applicants continue such
21 activities at a minimum level that Nicor Gas
22 currently commits to the various social and

1 charitable programs throughout the Illinois service
2 territories.

3 Additionally, this does not presume
4 the reasonableness of those expenses that would be
5 put forth in a rate proceeding and they would go
6 under the same scrutiny that would normally occur
7 under the Section 9-227 analysis.

8 The second change has to do with the
9 fact, again, that this Company's going to be --
10 certainly not -- you know, certainly within our
11 purview, but they will be managed from a distance.
12 And so what we have come up with -- or I should I
13 have suggested to my colleagues -- is a direction to
14 AGL that as long as it owns, controls or manages
15 Nicor Gas or a successor entity, it shall have at
16 least one non-employee individual resident of
17 Illinois on AGL's Board of Directors. AGL shall have
18 the sole discretion in selecting such qualified
19 candidates. We find that this requirement will
20 further satisfy the spirit and the goals of the
21 provisions of the Act by ensuring that the AGL Board
22 of Directors includes a member having firsthand

1 knowledge of the issues and concerns unique to
2 Illinois utilities and their customers.

3 And the third and final requirement or
4 condition is that in order that the Commission be
5 apprised of the compliance of AGL of the many
6 commitments that are reflected throughout the Order
7 as well as Appendix A, the Commission directs that
8 the CEO of AGL on an annual basis shall appear before
9 the Commission to report on the status of its
10 compliance with this Order.

11 And we have circulated this. I have
12 had some good additions from the Chairman's Office
13 with regard to the initial stab at this language, and
14 I thank his Office for that. And so I would leave it
15 to my colleagues to support these revisions. They
16 would be reflected in the Appendix A as separate
17 entries on that Appendix A. And those have been
18 circulated to all the Commissioners.

19 Thank you.

20 CHAIRMAN SCOTT: Thank you, Commissioner.

21 Would you move then for adoption of
22 the revisions?

1 COMMISSIONER O'CONNELL-DIAZ: I would move for
2 the adoptions of these wonderful revisions.

3 CHAIRMAN SCOTT: I will second that motion.

4 Is there any further discussion on the
5 revisions?

6 (No response.)

7 CHAIRMAN SCOTT: All in favor of the revisions
8 say, Aye.

9 (Chorus of ayes.)

10 CHAIRMAN SCOTT: Any opposed?

11 (No response.)

12 CHAIRMAN SCOTT: The vote is 5 to nothing and
13 Commissioner O'Connell-Diaz's revisions are adopted.

14 Is there any further discussion on
15 this matter?

16 (No response.)

17 CHAIRMAN SCOTT: We'll move then to the Order
18 as revised.

19 I'll move to adopt it. Is there a
20 second?

21 COMMISSIONER FORD: Second.

22 CHAIRMAN SCOTT: It's been moved and seconded.

1 All in favor say, Aye.

2 (Chorus of ayes.)

3 CHAIRMAN SCOTT: Any opposed?

4 (No response.)

5 CHAIRMAN SCOTT: The vote is 5 to nothing and
6 the Order as amended is adopted.

7 And thank you to all the offices to
8 the parties as well as to Judge Gilbert who -- I
9 second what Commissioner O'Connell-Diaz said -- did a
10 fine job on that for all the hard work. So thank you
11 very much, Judge -- who's kind of hiding in the
12 background. So thank you very much, Judge.

13 COMMISSIONER FORD: Thank you.

14 CHAIRMAN SCOTT: Moving on to Item G-6 is
15 Docket Nos. 11-0280 and 11-0281 consolidated. This
16 is the Peoples and North Shore Gas rate case. As
17 previously noticed to the parties, we will be holding
18 oral argument in this matter on Tuesday,
19 December 13th at 1:15 p.m. in the Commission's
20 Chicago offices.

21 Item G-7 is Docket No. 11-0679. This
22 is Glacial National Gas's Application for a

1 Certificate of Service Authority to operate as an
2 alternative gas supplier. ALJ Wallace recommends
3 entry of an Order granting the requested certificate.

4 Is there any discussion?

5 (No response.)

6 CHAIRMAN SCOTT: Any objections?

7 (No response.)

8 CHAIRMAN SCOTT: Hearing none, the Order is
9 entered and the Certificate is granted.

10 Item G-8 is Docket No. 11-0710. This
11 concerns the Commission setting the return on equity
12 for the proposed Leucadia Clean Cole Synthetic
13 Natural Gas Facility. ALJ Wallace recommends that
14 the Commission enter an Interim Order setting the
15 base return on equity at 4.44 percent.

16 Is there any discussion?

17 (No response.)

18 CHAIRMAN SCOTT: Any objections?

19 (No response.)

20 CHAIRMAN SCOTT: Hearing none, the Interim
21 Order is entered.

22 Moving now to Telecommunications.

1 Item T-1 concerns setting maximum rates and charges
2 for operator service providers pursuant to Title 83
3 Section 770.40 sub (e) of the Administrative Code.
4 Staff recommends entry of an Order setting new
5 maximum rates.

6 Is there any discussion?

7 (No response.)

8 CHAIRMAN SCOTT: Any objections?

9 (No response.)

10 CHAIRMAN SCOTT: Hearing none, the Order is
11 entered.

12 Items T-2 is Docket No. 10-0492. This
13 is CAL Communication's Application for designation as
14 an eligible telecommunications carrier. ALJ Riley
15 recommends granting the Company's request to withdraw
16 its application without prejudice.

17 Is there any discussion?

18 (No response.)

19 CHAIRMAN SCOTT: Any objection?

20 (No response.)

21 CHAIRMAN SCOTT: Hearing none, the Application
22 is withdrawn.

1 Moving on to Water and Sewer. Item
2 W-1 concerns Illinois-American Water Company's recent
3 filing proposed increase in its water and sewer
4 rates. Staff recommends entering a Suspension Order
5 suspending the filing and setting the matter for
6 hearings.

7 Is there any discussion?

8 (No response.)

9 CHAIRMAN SCOTT: Any objections?

10 (No response.)

11 CHAIRMAN SCOTT: Hearing none, the Suspension
12 Order is entered.

13 We have one miscellaneous item today.
14 Item M-1 concerns consideration of a resolution
15 adopting revised Forms 21 ILCC and 22 ILCC for annual
16 reports. Staff recommends that the Commission adopt
17 a resolution adopting these forms.

18 Is there any discussion?

19 (No response.)

20 CHAIRMAN SCOTT: Any objections?

21 (No response.)

22 CHAIRMAN SCOTT: Hearing none, the resolution

1 is adopted.

2 Judge Wallace, are there any other
3 matters to come before the Commission today?

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

5 CHAIRMAN SCOTT: Thank you, sir.

6 Hearing none, this meeting stands
7 adjourned.

8 MEETING ADJOURNED

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