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BEFORE THE
ILLINOIS COMMERCE COMMISSION
BENCH SESSION
(PUBLIC UTILITY)
Wednesday, December 10, 2014
Chicago, Illinois

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

- PRESENT:
- DOUGLAS P. SCOTT, Chairman
 - JOHN T. COLGAN, Commissioner (via video)
 - ANN MCCABE, Commissioner
 - SHERINA E. MAYE, Commissioner
 - MIGUEL DEL VALLE, Commissioner

SULLIVAN REPORTING COMPANY, by
PATRICIA WESLEY
CSR NO. 084-002170

1

2 COMMISSIONER COLGAN: Yes, Chairman. We have the
3 cast of characters and I think we are ready to
4 begin.

5 CHAIRMAN SCOTT: Thank you, Commissioner.

6 Pursuant to the provisions of the
7 Open Meetings Act, I now convene a Bench Session of
8 the Illinois Commerce Commission. With us in
9 Chicago are Commissioner McCabe, Commissioner
10 del Valle and Commissioner Maye. With us in
11 Springfield is Commissioner Colgan. I am Chairman
12 Scott. We have a quorum.

13 Before moving into the agenda,
14 according to Section 1700.10 of Title 2 of the
15 Administrative Code, this is the time we allow
16 members of the public to address the Commission.
17 Members of the public wishing to address the
18 Commission must notify the Chief Clerk's office at
19 least 24 hours prior to Commission meetings.
20 According to the Chief Clerk's office, we have no
21 requests to speak at today's bench session.

22 Moving on to the Public Utility

1 agenda, we will begin with minutes from our November
2 13th Regular Open Meeting.

3 Is there a motion to approve the
4 minutes?

5 COMMISSIONER COLGAN: So moved.

6 CHAIRMAN SCOTT: Is there a second?

7 COMMISSIONER McCABE: Second.

8 CHAIRMAN SCOTT: Moved by Commissioner Colgan and
9 seconded by Commissioner McCabe.

10 All in favor, say aye.

11 (Chorus of ayes.)

12 Any opposed?

13 (No response.)

14 The vote is 5 to nothing and the
15 minutes from our November 13th Regular Open Meeting
16 are approved.

17 Next we have the minutes from our
18 November 25th Regular Open Meeting. I understand
19 amendments have been forwarded.

20 Is there a motion to amend the
21 minutes?

22 COMMISSIONER MAYE: So moved.

1 CHAIRMAN SCOTT: Is there a second?

2 COMMISSIONER del VALLE: Second.

3 CHAIRMAN SCOTT: Moved by Commissioner Maye and
4 seconded by Commissioner del Valle.

5 All in favor, say aye.

6 (Chorus of ayes.)

7 Any opposed?

8 (No response.)

9 The vote is 5 to nothing and the
10 amendments are adopted.

11 Is there now a motion to approve the
12 minutes as amended?

13 COMMISSIONER del VALLE: So moved.

14 CHAIRMAN SCOTT: Is there a second?

15 COMMISSIONER McCABE: Second.

16 CHAIRMAN SCOTT: Moved by Commissioner del Valle
17 and seconded by Commissioner McCabe.

18 All in favor, say aye.

19 (No response.)

20 Any opposed?

21 (No response.)

22 The vote is 5 to nothing and the

1 minutes from our November 25th Regular Open Meeting,
2 as amended are approved.

3 Turning first to the electric portion
4 of today's agenda, Item E-1 is MidAmerican Energy
5 Company's filing to update its Rider 12, Nuclear
6 Decommissioning Factor. Staff recommends we approve
7 the update by not suspending the filing.

8 Is there any discussion?

9 (No response.)

10 Is there a motion to not suspend the
11 filing?

12 COMMISSIONER McCABE: Moved.

13 CHAIRMAN SCOTT: Is there a second?

14 COMMISSIONER MAYE: Second.

15 CHAIRMAN SCOTT: Moved by Commissioner McCabe and
16 seconded by Commissioner Maye.

17 Any discussion?

18 (No response.)

19 All in favor, say aye.

20 (Chorus of ayes.)

21 Any opposed?

22 (No response.)

1 The vote is 5 to nothing and the
2 filing is not suspended. We will use this 5 to
3 nothing vote for the remainder of today's Public
4 Utility agenda unless otherwise noted.

5 Item E-2 is ComEd's filing to revise
6 Rider Residential Meter Usage Data. Staff
7 recommends we approve the revision by not suspending
8 the filing.

9 Is there any discussion?

10 Commissioner del Valle.

11 COMMISSIONER del VALLE: Yes, Mr. Chairman. I
12 have a question for Mr. Torsten Clausen.

13 CHAIRMAN SCOTT: Good morning, Torsten.

14 MR. CLAUSEN: Good morning.

15 COMMISSIONER del VALLE: The matter here before
16 us, the changes to ComEd's Rider RMUD, which
17 affected the cap for the RESs providing time-of-use
18 products and new residential real-time pricing
19 customers as well as the default interim Order in
20 new line meters, the tariff change rate is the
21 current 15,000 customer cap and time-of-use
22 offerings to 100,000, but it also indicates ComEd

1 will need some other self-imposed deadline and needs
2 another extension for the TOU default interval rate.
3 This filing raises the interval to 60 minutes.

4 I just wanted to ask for clarification
5 here since we are seeing rates starting to rollout
6 in the marketing of these programs. We also
7 currently have an open docket, a data framework
8 docket. The Commission will seek to address some of
9 the issues relevant to this tariff filing.

10 My original question is do these
11 tariff changes tie our hands in terms of the current
12 open dockets at any foreseeable point down the road
13 and do you anticipate that these changes could lead
14 to any other delays or that they could narrow the
15 amount of the type of programs which could be
16 offered in the future?

17 MR. CLAUSEN: Okay. The first question in terms
18 of the impact of any further future Commission
19 decisions or whether this will somehow tie the
20 Commission's hands, no. Staff doesn't think that's
21 the case for a couple of reasons.

22 First of all, I think I should start

1 by saying that I think that ComEd had announced a
2 long time ago that the 30-minute interval was going
3 to be replaced for the pilot program only and the
4 switch was going to have to have a 60-minute
5 interval once a significant rollout would happen,
6 and, in fact, I think that's even described in some
7 of the AMI plans, so the switch to a 60-minute
8 interval was nothing new that everybody knew that
9 was coming, and now that, you know, significant
10 meters are being installed, that is happening.

11 Also, I think the reason Staff
12 recommended that do not suspend on this tariff is
13 that Staff and the other parties have been
14 discussing intervals shorter than 60 minutes in
15 workshops probably about a year now.

16 As you mentioned, as a result of these
17 workshop discussions, a new docket was petitioned by
18 CUB and EDF that raises a host of issues, among them
19 what should the intervals be that are other than the
20 default 60-minute interval.

21 So everybody expects the issue of
22 intervals shorter than 60 minutes to come to the

1 Commission in the future, and this tariff in no way
2 would impact anybody's ability to present a position
3 of why additional intervals separate and apart from
4 the default interval would be beneficial to the
5 market as a whole.

6 And, yes, I think along with that the
7 issue of not only selecting other intervals by
8 implementation but any time you create a new service
9 with a utility there's implementation costs, there's
10 time lines, but these are the kind of issues that
11 are still being discussed in the workshops and
12 everybody expects there will be additional intervals
13 other than the 60-minute interval that's the default
14 here in the future.

15 And then the other question in terms
16 of will it delay anything, I think Staff doesn't
17 believe so. I think the lifting or raising the cap
18 from the current 15,000 residential customers to now
19 a hundred thousand is actually a welcome early
20 change, because there was discussion I think earlier
21 last year where at least one aggregation community
22 was interested in offering a time-of-use service.

1 It didn't go beyond the discussion stage, but now
2 with the cap being a hundred thousand, there's at
3 least a possibility that some other communities
4 could consider a time-of-use offering for the entire
5 aggregate community.

6 In terms of whether the hundred
7 thousand is constrained in itself, I'm not really
8 sure it is until the end of next year when even that
9 hundred thousand comes up, because in order for the
10 community to even consider a time-of-use for its
11 community, all residential and small commercial
12 customers would need to have the Smart Meter
13 installed, and, as you know, the implementation --
14 the rollout of the Smart Meters, you know, is
15 gradual, so there aren't that many large communities
16 that would even consider time-of-use pricing in the
17 next few months in order for the hundred thousand
18 cap to be a real constraint.

19 For example, the City of Chicago
20 wouldn't decide let's do a time-of-use when only a
21 few neighborhoods actually have a Smart Meter. I
22 think that's really only a decision for a community

1 once everybody in the aggregation program are
2 eligible for the aggregation program has a Smart
3 Meter, so I don't think that's going to be a delay
4 factor.

5 And, additionally, a couple of other
6 points to consider is that the current Rider RMUD --
7 which is a great acronym -- that the process under
8 the Rider RMUD is really a lot of manual processes,
9 and even though the eventual complete elimination of
10 a cap has not been shifted back, it's still Staff's
11 understanding that ComEd is on schedule to fully
12 automate this process to request and receive
13 interval data by the summer so that by that time
14 residents are actually able to request and can
15 receive interval data in a much more efficient
16 manner than they are able to do now. That may be a
17 factor, but we haven't seen more than two suppliers
18 at this point offer residential time-of-use
19 services.

20 The last point I guess I would say is
21 that there's another piece that's out there when it
22 comes to customer authorization for interval data

1 which, as you know, the Commission entered an Order
2 this year in Docket 13-0506 that set certain
3 parameters in terms of what the supplier would have
4 to show in order to get access to non-billing -- get
5 access for interval data for non-billing purposes.

6 As a result of that order for the
7 workshop discussions, some parties believe that that
8 Order itself wasn't good enough and we needed at
9 least one uniform template that the Commission would
10 approve, and, therefore, we opened a new docket just
11 very recently, 14-0701, to really deal with that
12 issue.

13 I think everybody expects that to be a
14 relatively short proceeding so that in a few months
15 we have that, and that would be another piece of the
16 puzzle I think that suppliers are looking to,
17 because I think they want to see the usage pattern
18 for residential customers in these individual
19 geographic areas before they come up with additional
20 time-of-use offerings.

21 So I think the real test will be some
22 time in the middle or the end of next year when a

1 lot of these other pieces are in place, and I assume
2 everybody else, including the Commission, at that
3 point really hope to see additional offerings by
4 suppliers when it comes to residential time-of-use
5 and direct response services.

6 COMMISSIONER del VALLE: Thank you for that.

7 MR. CLAUSEN: Short answer. I could go on.

8 COMMISSIONER del VALLE: Very good. Thank you.

9 CHAIRMAN SCOTT: At the risk of doing that, are
10 there any questions?

11 (laughter.)

12 MR. CLAUSEN: How much time do you have?

13 COMMISSIONER del VALLE: I only had one question.

14 CHAIRMAN SCOTT: Okay. Thank you very much,
15 Torsten. I do appreciate it.

16 Any further discussions?

17 (No response.)

18 Are there any objections to the filing
19 not being suspended?

20 (No response.)

21 Hearing none, the filing is not
22 suspended.

1 Item E-3 is Docket No. 14-0467. This
2 is Mary Hirose's complaint against ComEd as to
3 erroneous meter readings in Hoffman Estates. It
4 appears the parties have settled their differences
5 and have filed a Stipulation and Joint Motion to
6 Dismiss, which ALJ Benn recommends we grant.

7 Is there any discussion?

8 (No response.)

9 Any objections.

10 (No response.)

11 Hearing none, the motion is granted
12 and the complaint is dismissed.

13 Item E-4 is Docket No. 14-0312. This
14 is ComEd's annual formula rate update and revenue
15 reconciliation under Section 16-108.5 of the Public
16 Utilities Act. ALJs Haynes and Teague-Kingsley
17 recommend entry of an Order approving the
18 reconciliation and delivery service rate increase.

19 I would like to propose edits to the
20 Order, which were drafted jointly with Commissioner
21 McCabe, and with input from Commissioner Maye.

22 These edits concern the Annual

1 Incentive Program or "AIP" compensation and can be
2 found on Pages 49 to 52 of the Order. They do not
3 change the PEPO's ultimate conclusion, but rather
4 the edits help explain and provide (1) that the EPS
5 limiter itself is contrary to EIMA; (2) that we have
6 concerns that the EPS limiter could potentially have
7 detrimental effects on ratepayers; (3) that the
8 incentive compensation actually paid out to
9 employees is not based on the EPS limiter, rather it
10 is reduced by it; (4) additional rationale for
11 adopting Staff's alternative 102.9 percent limiter;
12 (5) a stronger directive to ComEd to remove this EPS
13 limiter from its incentive compensation plan going
14 forward, particularly if the Company expects the
15 Commission to find that the entire amount of the
16 incentive compensation expense awarded to employees
17 is a reasonable and prudent expenditure.

18 With that, I'd move for adoption of
19 the edits.

20 Is there a second?

21 COMMISSIONER McCABE: Second.

22 CHAIRMAN SCOTT: Seconded by Commissioner McCabe.

1 Discussion on the edits?

2 Commissioner de Valle.

3 COMMISSIONER del VALLE: Thank you, Mr. Chairman.

4 While I appreciate the effort put forth, I can't
5 support it since it does not fix the structural
6 problem, which is at issue here.

7 This is the first time the Commission
8 has litigated this per share limiter. This whole
9 episode and years of litigation continues to point
10 to the troubling relationship between Exelon's
11 bottom line and the Illinois ratepayers.

12 In the case before us, the AG, Staff,
13 the ALJs, and Commissioners viewed the EPS limiter
14 as contrary to the law. My office agrees with Staff
15 and the AG that this supports the conclusion that
16 the entire AIP expense is contrary to the law. I
17 disagree with the edits when it says that it is the
18 Commission's prerogative to separate out the per
19 share limiter for recoverable amounts.

20 It is ComEd's burden to demonstrate
21 that the programs are lawful, otherwise, not only
22 does ComEd enjoy more automatic recovery through the

1 General Assembly and impose further maintenance, but
2 now the Commission is going out of its way to bring
3 ComEd's programs into compliance with the law.

4 In this case the edit implements an
5 arbitrary incentive. The facts that led to the
6 102.9 percent cap in the previous dockets are not
7 applicable here.

8 Further, I do not agree that the
9 record supports that the Commission should or could
10 separate the limiter's effect for ComEd. Both Staff
11 and the AG's legal arguments that the AIP is based
12 on Exelon's EPS as defined are compelling.

13 Indeed, Staff explains that the record
14 reflects that ComEd employees have no claim to their
15 AIP amounts until Exelon EPS makes the ultimate
16 determination of the amounts to be awarded.

17 ComEd's incentive program should not
18 be based on or affected in any way by any EPS or
19 similar financial measurement, anything less would
20 be against the intent of the law. Thank you.

21 CHAIRMAN SCOTT: Thank you, Commissioner.

22 Is there any further discussion on the

1 edits only?

2 (No response.)

3 So the edits have been moved, and
4 actually I had moved for the adoption of the edits
5 and Commissioner McCabe seconded.

6 So any discussion on the edits?

7 (No response.)

8 All in favor of the edits, say aye.

9 (Chorus of ayes.)

10 Any opposed?

11 (No response.)

12 The vote is 4 to one and the edits are
13 adopted.

14 Is there any discussion on the Order
15 as a whole?

16 Commissioner Maye.

17 COMMISSIONER MAYE: Yes. Thank you,

18 Mr. Chairman. I would like to comment on the

19 Order's treatment of ComEd's Customer Care Costs.

20 The Order adopted ComEd's Alternative Analysis for

21 the determination of how Customer Care Costs should

22 be allocated between supply and delivery service

1 functions.

2 I found merit in ComEd and Staff's
3 arguments that the Switching Study should be
4 employed to determine the proper allocation of
5 Customer Care Costs. The Switching Study
6 demonstrated ComEd's Customer Care Costs are tied to
7 the provision of service to all customers and will
8 not be reduced as customers switch to RES-provided
9 supply.

10 I believe there was evidence that
11 showed ComEd's Customer Care Costs do not decrease
12 as customers switch from ComEd to RES-provided
13 supply service, even at a dramatic pace. To me,
14 this lack of correlation between customer switching
15 and Customer Care Costs supports the use of
16 Switching Study.

17 Finally, I believe ComEd's argument
18 that its statutory role as the provider of last
19 resort ("POLR"), which requires ComEd to ensure it
20 has the applicable systems, procedures and
21 operations in place to be ready to serve all
22 customers, warranted additional consideration in

1 addressing this issue.

2 However, in the interest of compromise
3 and narrowing the issues in this proceeding, I will
4 be voting to support the Order as just previously
5 amended including the conclusion to adopt the
6 Alternative Analysis for Customer Care Costs.
7 Nevertheless, this is an issue I intend to look
8 closely at in the next Formula Rate filing. Thank
9 you.

10 CHAIRMAN SCOTT: Thank you, Commissioner Maye.

11 Any further discussion on the Order as
12 a whole?

13 COMMISSIONER COLGAN: Chairman, I have a couple
14 of comments. I think this was the most -- and I'm
15 trying to think of the right word I'm looking for --
16 interesting part of the entire rate case.

17 I think this is a really interesting
18 issue. I think that it's an important issue. I
19 think that there are arguments in the record that we
20 should do one way versus another way, because that's
21 how it's always done, but my comments are not just
22 about this issue of delivery and supplying

1 customers, but it's a whole range of cost recovery
2 issues that will continue to be coming at us.

3 And I think the compromise that came
4 about in the proposed Order -- in the final Order is
5 a good compromise, because I'm not sure that it's
6 where the discussion will end up, but I think it's a
7 step in the right direction to start to find a place
8 where we can go with these types of issues, because
9 there's no doubt some real costs that are attributed
10 to the distribution system that have to be recovered
11 and there are all kinds of new approaches to
12 distribute generation, energy efficiency, and all of
13 those things are calling into question some rate
14 design issues that I think we need to pay closer
15 attention to.

16 And I echo Commissioner Maye's
17 comments that this is an issue that we need to keep
18 a close eye on in the future, but I do support the
19 PEPO in this case.

20 CHAIRMAN SCOTT: Thank you, Commissioner.

21 Any further discussion?

22 JUDGE HAYNES: I just need to point out that

1 there's two public comment filings in the docket.

2 CHAIRMAN SCOTT: Two public comments? Thank
3 you.

4 Further on this matter, on December 1,
5 2014, ComEd filed a Motion concerning necessary
6 modifications that would be required to its Rider PE
7 and Rate BESH in the event that the Commission
8 adopted the Proposed Order's conclusion on Customer
9 Care Costs.

10 ALJs Haynes and Teague-Kingsley
11 recommended we grant the Motion and, given our
12 decision to support the PO's conclusion, insert
13 appropriate language into the Order directing ComEd
14 to submit the tariff changes in the form of a
15 compliance filing.

16 Is there any discussion on this
17 proposal?

18 (No response.)

19 Are there any objections to that
20 proposal?

21 (No response.)

22 Hearing none, the motion is granted

1 and the ALJs are directed to insert the appropriate
2 language into the Order.

3 Is there now a motion to enter the
4 Order as amended?

5 COMMISSIONER COLGAN: So moved.

6 CHAIRMAN SCOTT: Is there a second?

7 COMMISSIONER McCABE: Second.

8 CHAIRMAN SCOTT: Moved by Commissioner Colgan and
9 seconded by Commissioner McCabe.

10 Any discussion on the Order as
11 amended?

12 COMMISSIONER COLGAN: Just one final comment. I
13 want to thank ALJs Haynes and Teague-Kingsley for
14 some outstanding work on this case.

15 CHAIRMAN SCOTT: You beat me to it.

16 Thank you very much. We appreciate it
17 very much.

18 Any further discussion?

19 (No response.)

20 All in favor of the Order as amended,
21 say aye.

22 (No response.)

1 Any opposed?

2 (No response.)

3 The vote is 5 to nothing and the Order
4 as amended is entered.

5 Again, thank you very much, Judges,
6 for your work on this case.

7 Item E-5 is Docket No. 14-0317. This
8 is Ameren Illinois' Rate MAP-P Modernization Action
9 Plan-Pricing annual update filing. ALJs Albers and
10 Von Qualen recommend entry of an Order approving the
11 reconciliation and delivery service rate increase.

12 And as with the last case, I want to
13 thank the ALJs for all their hard work on this
14 Order. There were many complex issues which were
15 carefully and thoughtfully considered.

16 When EIMA went into effect in 2011, it
17 resulted in the largest electric infrastructure
18 investment Illinois utilities have made in a
19 generation (some \$3.2 billion). This investment is
20 intended to result in improvements to: grid
21 performance, consumer value, reliability and
22 security, integrated distributed generation, demand

1 response and energy efficiency and, through Smart
2 Meters or AMI, the empowerment of consumers with
3 energy data and control options that will allow for
4 time-of-use and real-time pricing of programs.

5 There is a clear value to consumers in
6 investments that result in peak shaving, grid
7 optimization, additional renewable penetration and
8 end-use energy efficiency which will reduce energy
9 bills and curb GHG emissions that threaten our air
10 quality and public health.

11 The power grid is evolving and it is
12 my belief that these investments will result in
13 positive changes and new, innovative energy service
14 for customers. But investing in these important
15 changes to the grid and realizing these benefits
16 does require an upfront cost to consumers.

17 Although our first review of Ameren's
18 formula rate resulted in a rate decrease, the
19 Company has now begun to roll out its AMI Plan which
20 has resulted in the increased investment and
21 corresponding rate increase we anticipated when the
22 law was put into effect.

1 These are important investments
2 but the ICC will, as always, be watching closely to
3 ensure that any investments recovered from
4 ratepayers represent prudent and reasonable costs
5 and that the investments do indeed result in the
6 benefits promised.

7 Any further comments?

8 Commissioner McCabe.

9 COMMISSIONER McCABE: I would like to commend the
10 Staff and the utilities in resolving a number of
11 non-litigated formula rate issues. The issues are
12 fewer and the Orders are shorter.

13 (Laughter.)

14 CHAIRMAN SCOTT: Good for all.

15 Any further discussion?

16 COMMISSIONER COLGAN: I want to echo, Chairman,
17 also the other comments that have been made, and I
18 also want to thank Judges Albers and Von Qualen
19 sitting here. I think in this case there has been
20 some exemplary work that's been done that puts this
21 proposed Order in front of you.

22 CHAIRMAN SCOTT: Any further discussion?

1 (No response.)

2 Judges, are there public comments on
3 this particular case?

4 JUDGE ALBERS: No, Chairman. They have already
5 been noted.

6 CHAIRMAN SCOTT: Thank you, Judge Albers.

7 Any further discussion?

8 (No response.)

9 Are there any objection to entering
10 the Order?

11 (No response.)

12 Hearing none, the Order is entered.

13 Items E-6 and E-7 can be taken
14 together. These items are Ameren Transmission
15 Company of Illinois' petitions for an Order pursuant
16 to Section 8-509 of the Public Utilities Act
17 authorizing the use of Eminent Domain Power.

18 The Commission previously denied
19 ATXI's authority in light of the need for a filing
20 to address ATXI's revision to the relevant segment
21 of the route. The Commission then granted ATXI's
22 subsequent Application for Rehearing after

1 reliability issues were raised and ATXI agreed to
2 properly seek a change in the route in a separate
3 proceeding. In each case, ALJ Albers recommends
4 entry of an Order on Rehearing granting the
5 requested relief.

6 Is there any discussion?

7 (No response.)

8 Are there any objections?

9 (No response.)

10 Hearing none, the Orders are entered.

11 Item E-8 is Docket No. 14-0652. This

12 is Ameren Illinois' Petition for an Order pursuant

13 to Section 8-509 of the Public Utilities Act

14 authorizing the use of Eminent Domain Power.

15 ALJ Von Qualen recommends entry of an Order granting

16 the requested relief.

17 Is there any discussion?

18 (No response.)

19 Any objections.

20 (No response.)

21 Hearing none, the order is entered.

22 Item E-9 is Docket No. 14-0588. This

1 is Illinois Power Agency's Petition for approval of
2 the 2015 IPA Procurement Plan pursuant to Section
3 16-111.5(d)(4) of the Public Utilities Act.

4 Discussion? Commissioner McCabe.

5 COMMISSIONER McCABE: Yes. I have a question
6 for -- is it Steve Hickey?

7 JUDGE WALLACE: Steve Hickey.

8 COMMISSIONER McCABE: Besides the NorthBridge
9 Report provided by ICM, the ICA's analysis of New
10 Jersey and Pennsylvania, and related discussion of
11 other states with full requirements, what extent
12 does the parties discuss full requirements and data
13 in other states and their relevance to Illinois?

14 JUDGE WALLACE: Commissioner McCabe, this is
15 Judge Wallace. I will take a stab at that, and then
16 if I'm wrong, Steve Hickey can come in.

17 With regard to the fixed-full price
18 requirements that you discuss in this proceeding
19 focused almost entirely on the NorthBridge Report
20 and the experiences in Pennsylvania and New Jersey,
21 there's very little data regarding experiences in
22 other states. The plan briefly addresses the

1 experience in Ohio on Page 56 and provides limited
2 information on the fraction of customers switching
3 there.

4 The IPA plan very briefly discusses
5 Maryland, Delaware, District of Colorado, and
6 Massachusetts also at Page 56.

7 On Page 64 of the plan, the plan
8 discusses a consumer survey conducted in Alberta,
9 Canada. It's intended to address how much customers
10 value the price share associated with fixed-price
11 forward products.

12 The ICEA objections briefly addresses
13 the experience in other states at Pages 17 and 18 of
14 their objections as well as the Alberta, Canada,
15 survey.

16 In essence, there is virtually no
17 other data or commenting on any other experiences
18 other than the NorthBridge Report and probably about
19 six states and those are very limited.

20 COMMISSIONER McCABE: All right. Thank you.

21 CHAIRMAN SCOTT: Any further discussion on this
22 matter?

1 (No response.)

2 This item will be held for disposition
3 at a future Commission proceeding.

4 Item E-10 is Docket No. 14-0671. This
5 is Onyx Power & Gas Consulting LLC's application for
6 Licensure of Agents, Brokers and Consultants under
7 Section 16-115C of the Public Utilities Act.

8 ALJ Kimbrel recommends entry of an Order granting
9 the requested certificate.

10 Is there any discussion?

11 (No response.)

12 Any objections.

13 (No response.)

14 Hearing none, the Order is entered.

15 Turning now to Natural Gas, Item G-1
16 is Docket No. 14-0626. This is Pompei Bakery's
17 complaint against Peoples Gas as to billing and/or
18 charges in Chicago. It appears the parties have
19 settled their differences and have filed a
20 Stipulation and Joint Motion to Dismiss, which ALJ
21 Riley recommends we grant.

22 Is there any discussion?

1 (No response.)

2 Any objections?

3 (No response.)

4 Hearing none, the motion is granted
5 and the complaint is dismissed.

6 Item G-2 is Docket No. 14-0657. This
7 is AEP Energy's application for Certificate of
8 Service Authority under Section 19-110 of the Public
9 Utilities Act. ALJ Von Qualen recommends entry of
10 an Order granting the requested certificate.

11 Is there any discussion?

12 Commissioner Colgan.

13 COMMISSIONER COLGAN: Yes, I have a couple of
14 questions for Judge Von Qualen if she will come up,
15 please.

16 JUDGE VON QUALEN: Good morning, Chairman.

17 CHAIRMAN SCOTT: Good morning.

18 COMMISSIONER COLGAN: Good morning. I was
19 looking through this yesterday and I took note of
20 the fact that there is a pending federal lawsuit
21 against AEP Energy for a violation of the Telephone
22 Consumer Protection Act that is pending in the U.S.

1 District Court here in Illinois, and I wondered if
2 you had any information you could share with us
3 about that case.

4 JUDGE VON QUALEN: No. Other than what is in the
5 record, I don't have any additional information
6 about the case. I did see that there was a pending
7 case there and that I recommended granting the
8 certificate. That's because I took a look at what
9 the company has provided us as far as what the ratio
10 of complaints were versus customers, and I found
11 that to be very low, between point 07 percent and
12 2.09 percent.

13 I have weighed that against the fact
14 if there's a case pending, that is pending to me
15 means there's a question about whether there were
16 any violations, so I didn't feel that was enough to
17 recommend disapproval of the certificate.

18 COMMISSIONER COLGAN: Okay. I pulled a copy of
19 the California Consumer Protection Act and I saw in
20 there a number of issues that it covers are issues
21 that I have a concern about in telephone marketing,
22 and I appreciate your work.

1 I don't think that I can support the
2 recommendation, but that's only because I don't have
3 any information about what's going on there, so I
4 don't feel comfortable approving that. Once it's
5 approved, then there could be some further issues.
6 So I think they could probably come back and reapply
7 once that case is resolved. So any way, thank you.

8 CHAIRMAN SCOTT: Further questions?

9 Commissioner McCabe.

10 COMMISSIONER McCABE: Ms. Von Qualen, is it fair
11 to say that given AEP's experience on the electric
12 side for 12 years as Blue Star, they have had a lot
13 of complaints?

14 JUDGE VON QUALEN: Yes, it is.

15 COMMISSIONER McCABE: Okay.

16 CHAIRMAN SCOTT: Commissioner Maye.

17 COMMISSIONER MAYE: I just have a comment. My
18 background is in Consumer Advance Law. I did have a
19 concentrated practice on EPA law. Oftentimes in a
20 federal jurisdiction, you have many, many, many
21 complaints.

22 As you said, Commissioner Colgan, the

1 Act does span a great variety of violations, and so
2 somebody can bring a case for any one of a hundred
3 of those and, you know, one of them may have merit
4 and some may not.

5 So without having a finding, I think
6 that doesn't really totally affect this and it may
7 not be necessary. We should probably consider what
8 we have in the record, as Judge Von Qualen
9 mentioned, and they have a very low ratio.

10 So given that background and looking
11 at the information that we do have, I think that it
12 would be okay to grant it.

13 CHAIRMAN SCOTT: Further discussion?

14 (No response.)

15 Is there a motion to approve the
16 Order?

17 COMMISSIONER McCABE: So moved.

18 CHAIRMAN SCOTT: Is there a second?

19 COMMISSIONER MAYE: Second.

20 CHAIRMAN SCOTT: Moved by Commissioner McCabe and
21 seconded by Commissioner Maye.

22 Further discussion?

1 (No response.)

2 All in favor of the Order, say aye.

3 (Chorus of ayes.)

4 Opposed?

5 COMMISSIONER COLGAN: No.

6 CHAIRMAN SCOTT: The Vote is 4 to nothing and the
7 Order is entered.

8 On to telecommunications, Item T-1 is
9 Docket No. 14-0415. This is 1-800 Collect d/b/a
10 Simple Billing Solutions' application for a
11 Certificate of Prepaid Calling Service Provider
12 authority throughout the State of Illinois. ALJ
13 Benn recommends entry of an Order granting the
14 certificate.

15 I had a few concerns with regard to
16 this application. Although I appreciate the
17 Company's forthrightness in presenting us with a
18 complete record, I am troubled in this case by
19 Attachment G to their application which consists of
20 a Kansas Corporation Commission decision denying
21 1-800 Collect's request for Prepaid Calling Service
22 Provider authority on the basis of the significant

1 number of complaints filed against its parent
2 company through the Better Business Bureau.

3 That decision notes that the consumer
4 complaints alleged that consumers were being charged
5 extremely high rates for international phone calls
6 and not being properly informed about the rates
7 prior to making the phone call.

8 Some consumers stated they were
9 charged for calls even though they were never
10 connected or the call did not go through. In
11 addition, BBB files showed a delay in responding to
12 consumer complaints brought to the company's
13 attention by the Better Business Bureau.

14 The company agreed to work with the
15 Better Business Bureau in an attempt to eliminate
16 the pattern of consumer complaints by bringing their
17 customer service department in-house, making sure
18 that all carriers are aware of their billing
19 procedures, policies and rates. It is unclear
20 whether the necessary changes have been implemented
21 at this time.

22 Although Section 13-404.1(b) reads

1 that the Commission shall approve an application for
2 a Certificate of Prepaid Calling Service Provider
3 Authority without a hearing if the Applicant has
4 previously been granted a Certificate of local
5 and/or interexchange authority and continues to be
6 in good standing with the Commission, the Kansas
7 decision was handed down after we initially granted
8 1-800 Collect their first Certificate of Authority
9 and it isn't clear to me whether this impacts the
10 Company's standing with the Commission, but it
11 certainly raises questions about whether the Company
12 possesses sufficient managerial capabilities to
13 provide Prepaid Calling Services.

14 Because the hearing in this case was
15 waived, I'd like to propose that we do the
16 following: (1) not enter the Order at this time;
17 and (2) remand the proceeding back to the ALJ for a
18 complete hearing, pursuant to Section 13-404.1(b),
19 where the applicant is permitted to present evidence
20 showing that it possesses the managerial
21 capabilities to provide prepaid calling services,
22 taking into account the Kansas decision.

1 I believe this is consistent with the
2 Commission's charge under Section 13-404.1(a) of the
3 Act to protect and promote against fraud the
4 legitimate business interests of persons or entities
5 currently providing prepaid calling service to
6 Illinois end users and Illinois end users who
7 purchase these services.

8 Is there further discussion?

9 (No response.)

10 Is there a motion to not enter the
11 Order?

12 COMMISSIONER del VALLE: Moved.

13 CHAIRMAN SCOTT: Second?

14 COMMISSIONER MAYE: Second.

15 CHAIRMAN SCOTT: Moved by Commissioner del Valle
16 and seconded by Commissioner Maye.

17 All in favor of not entering the
18 Order, say aye.

19 (Chorus of ayes.)

20 Any opposed?

21 (No response.)

22 The vote is 5 to nothing and the Order

1 is not entered.

2 Is there now a motion to remand the
3 matter to the ALJ for notice and hearing?

4 COMMISSIONER McCABE: So moved.

5 CHAIRMAN SCOTT: Is there a second?

6 COMMISSIONER del VALLE: Second.

7 CHAIRMAN SCOTT: Moved by Commissioner McCabe and
8 seconded by Commissioner del Valle.

9 Any discussion?

10 (No response.)

11 All in favor, say aye.

12 (No response.)

13 Any opposed?

14 (No response.)

15 The vote is 5 to nothing and the
16 matter is remanded to the ALJ.

17 Item T-2 is Docket No. 14-0526. This
18 is Look International's application for a
19 Certificate of Interexchange Authority to operate as
20 a Reseller of Telecommunications Services throughout
21 the State of Illinois. The Applicant filed a Motion
22 to withdraw the application, which ALJ Benn

1 recommends we grant.

2 Is there any discussion?

3 (No response.)

4 Any objections?

5 (No response.)

6 Hearing none, the Motion to Withdraw
7 is granted and the docket is dismissed.

8 Item T-3 is Docket No. 14-0589. This
9 is Look International d/b/a SinPin's Application for
10 a Certificate of Prepaid Calling Service Provider
11 Authority throughout the State of Illinois. ALJ
12 Riley recommends entry of an Order granting the
13 requested certificate.

14 Is there any discussion?

15 (No response.)

16 Any objections?

17 (No response.)

18 Hearing none, the Order is entered.

19 Item T-4 and T-5 can be taken
20 together. These items are petitions for
21 modifications of existing 9-1-1 Emergency Telephone
22 Number Systems in Johnson and Wayne Counties. In

1 each case, ALJ Albers recommends entry of an Order
2 granting the requested relief.

3 Is there any discussion?

4 (No response.)

5 Any objections?

6 (No response.)

7 Hearing none, the Orders are entered.

8 Item T-6 through T-9 can be taken
9 together. These items are Joint Petitions for
10 Approval of the 1st amendment to an interconnection
11 agreement pursuant to Section 47 U.S.C. Section 252.
12 In each case, the ALJ recommends entry of an Order
13 approving the amendment to the agreement.

14 Is there any discussion?

15 (No response.)

16 Any objections?

17 (No response.)

18 Hearing none, the Orders are entered.

19 Item T-10 and T-11 can be taken
20 together. These items concern our amendments of
21 83 Ill. Adm. Code 737 and 729. The ALJ in each case
22 recommends entry of an Order adopting the

1 amendments.

2 Is there any discussion?

3 (No response.)

4 Any objections?

5 CHIEF ALI WALLACE:: Mr. Chairman --

6 CHAIRMAN SCOTT: Yes.

7 CHIEF ALI WALLACE: -- T-11 is sitting in second
8 notice.

9 CHAIRMAN SCOTT: Shall we take them separately
10 then?

11 CHIEF ALI WALLACE: I will just note that T-11 is
12 authorizing second notice.

13 CHAIRMAN SCOTT: Okay. Let's do them one at a
14 time. Item T-10 is Docket No. 14-0077 adopting the
15 amendments of 83 Ill. Adm. Code 770.40(e).

16 Is there any discussion?

17 (No response.)

18 Is there any objections?

19 (No response.)

20 Hearing none, the Order is entered.

21 Item T-11 is Docket No. 14-0571. This
22 is our Order authorizing second notice period on

1 83 Ill. Adm., Code 729.

2 Is there any discussion on that item?

3 (No response.)

4 Any objections?

5 (No response.)

6 Hearing none, the Order authorizing
7 second notice period is entered.

8 Thank you, Judge.

9 T-12 is our motion concerning the
10 setting of maximum rates and charges for operator
11 service providers pursuant to 83 Ill. Adm. Code
12 770.40(e). Staff recommends entry of an Order
13 setting the rates.

14 Is there any discussion?

15 (No response.)

16 Any objections?

17 (No response.)

18 Hearing none, the Order is entered.

19 Moving on to the Petitions for
20 Rehearing, Item PR-1 is Docket No. 13-0657. This is
21 ComEd's application for a Certificate of Public
22 Convenience and Necessity, pursuant to Section

1 8-406.1 of the Illinois Public Utilities Act, and an
2 Order pursuant to Section 8-503 of the Illinois
3 Public Utilities Act to construct, operate and
4 maintain a new 345kV transmission line in Ogle,
5 DeKalb, Kane and DuPage Counties. Two Applications
6 for Rehearing have been filed, one by the SKP
7 Group/URMC and one by the City of Elgin. In both
8 cases, ALJs Hilliard and Jorgenson recommend we deny
9 the application.

10 Is there any discussion?

11 (No response.)

12 Are there any objections?

13 (No response.)

14 Hearing none, the Applications for
15 Rehearing are denied.

16 Judge Wallace, is there any other
17 matters to come before the Commission?

18 JUDGE ALI WALLACE: No. That's all,
19 Mr. Chairman.

20 CHAIRMAN SCOTT: Thank you, sir.

21 Hearing none, this meeting stands
22

1

2 adjourned. Thank you, everyone.

3 (Whereupon, the above matter

4 was adjourned.)

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