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BEFORE THE
ILLINOIS COMMERCE COMMISSION

BENCH SESSION
(PUBLIC UTILITY)

Springfield, Illinois
Wednesday, December 18, 2013

Met, pursuant to notice, at 10:30 A.M. in
Hearing Room A, First Floor, Leland Building, 527
East Capitol Avenue, Springfield, Illinois.

PRESENT:

- MR. DOUGLAS P. SCOTT, Chairman
- MR. JOHN T. COLGAN, Commissioner
- MS. ANN McCABE, Commissioner
- MR. MIGUEL DEL VALLE, Commissioner
- MS. SHERINA MAYE, Commissioner

MIDWEST LITIGATION SERVICES, by
Angela C. Turner, Reporter
CSR #084-004122

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PROCEEDINGS

CHAIRMAN SCOTT: Pursuant to the provisions of the Open Meetings Act, I now convene a regularly scheduled Bench Session of the Illinois Commerce Commission. With me in Springfield are Commissioner Colgan, Commissioner McCabe, Commissioner del Valle and Commissioner Maye. And I am Chairman Scott. We have a quorum.

Before moving into the agenda, according to Section 1700.10 of Title 2 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 Commission meetings. According to the Chief Clerk's office, we have no requests to speak at today's Bench Session.

(The Transportation portion of the proceedings was held at this time and is contained in a separate transcript.)

CHAIRMAN SCOTT: Moving on to the Public Utility Agenda, we'll begin with the approval of minutes from our November 26th Regular Open Meeting.

1 I understand amendments have been forwarded.

2 Is there a motion to amend the minutes?

3 COMMISSIONER MAYE: So moved.

4 CHAIRMAN SCOTT: Is there a second?

5 COMMISSIONER McCABE: Second.

6 CHAIRMAN SCOTT: Moved by Commissioner Maye;
7 second by Commissioner McCabe.

8 All in favor say aye.

9 (Chorus of ayes.)

10 CHAIRMAN SCOTT: Any opposed?

11 (No response.)

12 CHAIRMAN SCOTT: The vote is five to nothing
13 and the amendments are adopted.

14 Is there now a motion to approve the minutes
15 as amended?

16 COMMISSIONER McCABE: So moved.

17 CHAIRMAN SCOTT: Is there a second?

18 COMMISSIONER MAYE: Second.

19 CHAIRMAN SCOTT: Moved by Commissioner
20 McCabe; second by Commissioner Maye.

21 All in favor say aye.

22 (Chorus of ayes.)

23 CHAIRMAN SCOTT: Any opposed?

24 (No response.)

1 CHAIRMAN SCOTT: The vote is five to nothing
2 and minutes from our November 26th Regular Open
3 Meeting, as amended, are approved.

4 We will next address the minutes from our
5 December 4th Bench Session. I understand amendments
6 have also been forwarded here.

7 Is there a motion to amend those minutes?

8 COMMISSIONER COLGAN: So moved.

9 CHAIRMAN SCOTT: Is there a second?

10 COMMISSIONER DEL VALLE: Second.

11 CHAIRMAN SCOTT: Moved by Commissioner
12 Colgan; second by Commissioner del Valle.

13 All in favor say aye.

14 (Chorus of ayes.)

15 CHAIRMAN SCOTT: Any opposed?

16 (No response.)

17 CHAIRMAN SCOTT: The vote is five to nothing
18 and the amendments are adopted.

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

21 COMMISSIONER COLGAN: So moved.

22 CHAIRMAN SCOTT: Is there a second?

23 COMMISSIONER McCABE: Second.

24 CHAIRMAN SCOTT: Moved by Commissioner

1 Colgan; second by Commissioner McCabe.

2 All in favor say aye.

3 (Chorus of ayes.)

4 CHAIRMAN SCOTT: Any opposed?

5 (No response.)

6 CHAIRMAN SCOTT: The vote is five to nothing
7 and the amendments from our December 4th Bench
8 Session, as amended, are approved.

9 Turning now to the Electric portion of
10 today's agenda. Item E-1 is our Order commencing the
11 reconciliation of revenues collected under
12 MidAmerican and Mt. Carmel's fuel adjustment charges
13 with actual costs prudently incurred for the year
14 2013.

15 Staff recommends entry of an Order
16 initiating both proceedings.

17 Is there any discussion?

18 (No response.)

19 CHAIRMAN SCOTT: Is there a motion to enter
20 the Order?

21 COMMISSIONER McCABE: So moved.

22 CHAIRMAN SCOTT: Is there a second?

23 COMMISSIONER MAYE: Second.

24 CHAIRMAN SCOTT: Moved by Commissioner

1 McCabe; second by Commissioner Maye.

2 All in favor say aye.

3 (Chorus of ayes.)

4 CHAIRMAN SCOTT: Any opposed?

5 (No response.)

6 CHAIRMAN SCOTT: The vote is five to nothing
7 and the Order is entered.

8 We will use this five to nothing vote for
9 the remainder of today's Public Utility Agenda unless
10 otherwise noted.

11 Items E-2 and E-3 can be taken together.
12 These items are filings by ComEd to make changes to
13 Rider EDA, allowing on-bill financing for
14 non-residential electric customers, and Rider RCA
15 which facilitates certain identified retail customer
16 assessments.

17 In both cases, Staff recommends we approve
18 the changes by not suspending the filings.

19 Is there any discussion?

20 (No response.)

21 CHAIRMAN SCOTT: Is there any objection to
22 not suspending the filings?

23 (No response.)

24 CHAIRMAN SCOTT: Hearing none, the filings

1 are not suspended.

2 Items E-4 and E-5 can be taken together.
3 These items are filings by Ameren to revise its
4 Customer Terms and Conditions in compliance with the
5 Commission's certification requirements applicable to
6 vendors that install electric vehicle charging
7 stations and to make changes to its Rider EDR,
8 allowing for on-bill financing for non-residential
9 electric customers.

10 Staff recommends we approve the revisions by
11 not suspending the filings.

12 Is there any discussion?

13 (No response.)

14 CHAIRMAN SCOTT: Are there any objections to
15 not suspending the filings?

16 (No response.)

17 CHAIRMAN SCOTT: Hearing none, the filings
18 are not suspended.

19 Item E-6 is Docket Number 11-0580. This is
20 Donald Davis' complaint against ComEd as to service
21 in Machesney Park, Illinois. Petitioner has filed an
22 Interlocutory Appeal of the ALJ's denial of ComEd's
23 Motion to Stay the proceeding and Staff's Motion for
24 Reconsideration. This item will be held for

1 disposition at a future Commission proceeding.

2 Items E-7 and E-8 can be taken together.

3 These items are customer complaints against ComEd as
4 to billing and/or charges. In both cases, the ALJ
5 recommends entry of an Order dismissing the
6 complaint.

7 Is there any discussion?

8 (No response.)

9 CHAIRMAN SCOTT: Any objections?

10 (No response.)

11 CHAIRMAN SCOTT: Hearing none, the Orders
12 are entered.

13 Item E-9 is Docket Number 13-0141. This is
14 Shamell MaGee's complaint against ComEd as to billing
15 and/or charges. The parties have apparently settled
16 their differences and have brought a Joint Motion to
17 Dismiss, which ALJ Kimbrel recommends we grant.

18 Is there any discussion?

19 (No response.)

20 CHAIRMAN SCOTT: Any objections?

21 (No response.)

22 CHAIRMAN SCOTT: Hearing none, the Joint
23 Motion to Dismiss is granted.

24 Item E-10 is Docket Number 13-0318. This is

1 ComEd's annual formula rate update and revenue
2 requirement reconciliation under Section 16-108.5 of
3 the Public Utilities Act.

4 ALJs Dolan and Kimbrel recommend entry of a
5 Post-exceptions Order.

6 Judges, is there any update that we need as
7 to public comment in this case?

8 JUDGE DOLAN: Yes, Chairman. This is Judge
9 Dolan. There's two comments on the e-Docket from the
10 public.

11 CHAIRMAN SCOTT: Okay. Thank you very much,
12 sir. And we appreciate both the judges and all the
13 offices for the hard work on the first of some of
14 these larger cases that are up for decision today.

15 We'll move through the proposed edits by
16 office. I am going to start. My office has a few
17 edits, starting with Rate Case Expense, which appears
18 on page 25 of the Order under appeal and remand.

19 My office suggested some minor language
20 changes to the ALJs' PEPO in this section to make it
21 clear that, even if the costs for appeal and remand
22 are recoverable as a rate case expense, that the
23 utility still must show that those costs satisfy the
24 prudent, just and reasonable standard under Section

1 9-229.

2 Is there any discussion of these edits?

3 COMMISSIONER COLGAN: Yes.

4 CHAIRMAN SCOTT: Commissioner Colgan.

5 COMMISSIONER COLGAN: In this case, the
6 Staff argued that rate case appeal should not be
7 recoverable expense for the utilities. I was pretty
8 intrigued by that argument, but decided I am not
9 going to support it in this docket -- docket in case.

10 My reason for not supporting the argument is
11 that I do believe the utility should be able to
12 recover the cost of an appeal of a Commission
13 decision that are overturned by the Appellate Court.
14 In that case, there would have been a court decision
15 that agrees with the Company's argument and not with
16 the Commission's decision.

17 I also agree with Staff that cost incurred
18 by the Company for responsive appeal in court-ordered
19 remand of a rate case proceeding should be
20 recoverable by ratepayers.

21 However, I have a concern about allowing the
22 Company to recover litigation expenses. To appeal
23 the Commission's Order simply because the Company's
24 dissatisfaction with the Commission Order. My

1 concern is about cases where Commission decisions are
2 affirmed on appeal and the Company loses the appeal.
3 In a case like that, it seems reasonable to me that
4 the Company would be asked to cover the cost of the
5 appeal.

6 If ratepayers are made to pay utility
7 litigation costs whenever it takes the Commission to
8 court, the utility, in my opinion, would have an
9 incentive to appeal every Commission decision that it
10 deems unfavorable.

11 Since it is the Commission's role to balance
12 shareholder and ratepayer interest, there will always
13 be Commission decisions on issues that utilities will
14 not like. If shareholders are asked to pay for
15 appeals that affirm the Commission's decision,
16 however, the Commission will provide the utility with
17 the incentive to appeal only those issues that may
18 have a sound basis for reversal.

19 So I am supporting your edits, Chairman, in
20 this case; but in the future, I would be interested
21 in seeing that issue explored in more detail.

22 CHAIRMAN SCOTT: Further discussion?

23 Commissioner del Valle.

24 COMMISSIONER DEL VALLE: Mr. Chairman, I

1 just want to express my agreement here with
2 Commissioner Colgan and hope that, in the future,
3 we'll deal with this matter in a different way.

4 CHAIRMAN SCOTT: Further discussion?

5 (No response.)

6 CHAIRMAN SCOTT: I move the adoption of this
7 edit.

8 Is there a second?

9 COMMISSIONER COLGAN: Second.

10 CHAIRMAN SCOTT: Second by Commissioner
11 Colgan.

12 Any further discussion?

13 (No response.)

14 CHAIRMAN SCOTT: All in favor of this edit,
15 say eye.

16 (Chorus of ayes.)

17 CHAIRMAN SCOTT: Any opposed?

18 (No response.)

19 CHAIRMAN SCOTT: The vote is five to nothing
20 and this edit is adopted.

21 We can do the next three together and make
22 one motion for all three of these. Starting with
23 Attorneys. Next, still under Rate Case Expense,
24 Attorneys, on page 28 of the Order, we are suggesting

1 some edits to address Staff's allegation that the
2 Company refused to provide information or provided
3 unusable information in discovery.

4 The Commission would urge the Company, in a
5 proceeding where timelines are short and the record
6 is voluminous, to endeavor to provide the necessary
7 information requested in discovery so that the
8 Commission is presented with the clearest and best
9 record possible on which to base its determination.

10 Next, with respect to Westlaw and Lexis
11 Research under Rate Case Expense, on page 34 of the
12 Order, I am proposing minor edits to this section,
13 which still allows for recovery of the research
14 charges, but urge outside counsel or the Company to
15 revise their contract and/or billing guidelines to
16 accurately reflect their agreement as to costs.

17 And with respect to late payment revenues
18 related to transmission, this group of edits appear
19 on page 67 of the Order under Late Payment Revenues
20 Related to Transmission and is intended to provide
21 consistency between the conclusion in this proceeding
22 and the conclusion in the Ameren formula rate update
23 proceeding regarding transmission expenses and
24 revenues, but does not change the conclusion.

1 With that, I would move for the adoption of
2 these three sets of edits.

3 Is there a second?

4 COMMISSIONER COLGAN: Second.

5 CHAIRMAN SCOTT: Second by Commissioner
6 Colgan.

7 Any discussion of these edits?

8 (No response.)

9 CHAIRMAN SCOTT: All in favor aye.

10 (Chorus of ayes.)

11 CHAIRMAN SCOTT: Any opposed?

12 (No response.)

13 CHAIRMAN SCOTT: The vote is five to nothing
14 and the edits are adopted.

15 The last set of proposed edits appears on
16 page 30 of the Order and goes back to the rate case
17 expense once more, this time under Experts. I'm
18 disagreeing with the PEPO on this topic and proposed
19 edits to disallow the entire amount of expenses
20 attributed to work performed by Analysis Group. The
21 anticipated arguments for which Analysis Group was
22 hired to respond were never presented.

23 If the Commission allowed recovery of all
24 expert witness fees incurred in anticipation of

1 arguments never presented, a utility could
2 conceivably hire a team of experts and consultants to
3 work on issues that may never come before the
4 tribunal, but which could conceivably have been an
5 issue in a rate case. This is not the type of
6 prudently incurred and reasonable expense that the
7 Act contemplates and the Commission should not permit
8 recovery of those expenses in this proceeding.

9 I would move for the adoption of this set of
10 edits.

11 Is there a second?

12 COMMISSIONER COLGAN: Second.

13 CHAIRMAN SCOTT: Second by Commissioner
14 Colgan.

15 Discussion?

16 Commissioner Maye.

17 COMMISSIONER MAYE: Thank you.

18 I do support the PEPO here, and therefore,
19 respectfully disagree with your proposed edit to
20 disallow that Act. I do believe the Company
21 demonstrated that it was prudent and necessary to
22 prepare and retain a consult for an issue that
23 discovery indicated would possibly come up. I
24 believe that such preparation was, therefore, in

1 anticipation of a litigation, and therefore, it
2 should be recoverable under 9-229.

3 CHAIRMAN SCOTT: Further discussion?

4 (No response.)

5 CHAIRMAN SCOTT: It's been moved and
6 seconded to adopt this edit.

7 All in favor say aye.

8 Aye.

9 COMMISSIONER COLGAN: Aye.

10 COMMISSIONER McCABE: Aye.

11 COMMISSIONER del VALLE: Aye.

12 CHAIRMAN SCOTT: Any opposed?

13 COMMISSIONER MAYE: No.

14 CHAIRMAN SCOTT: The vote is four to one and
15 the edits are adopted.

16 Are there any other edits or comments on
17 this Order?

18 (No response.)

19 CHAIRMAN SCOTT: Is there a motion to enter
20 the Order as amended?

21 COMMISSIONER COLGAN: So moved.

22 CHAIRMAN SCOTT: Moved by Commissioner
23 Colgan.

24 Is there a second?

1 COMMISSIONER McCABE: Second.

2 CHAIRMAN SCOTT: Second by Commissioner
3 McCabe.

4 Any discussion on the Order as amended?

5 (No response.)

6 CHAIRMAN SCOTT: All in favor say aye.

7 (Chorus of ayes.)

8 CHAIRMAN SCOTT: Any opposed?

9 (No response.)

10 CHAIRMAN SCOTT: The vote is five to nothing
11 and the Order, as amended, is entered.

12 Again, I want to thank Judges Dolan and
13 Kimbrel for all of their work on this Order. Thank
14 you, gentlemen.

15 Item E-11 is Docket Number 13-0387. This is
16 ComEd's revenue-neutral tariff changes related to
17 rate design.

18 ALJs Hilliard and Jorgenson recommend entry
19 of an Order approving the rate design.

20 We will move through proposed edits to this
21 matter as well. I have some suggested edits with
22 which I received assistance from Commissioner McCabe
23 and Commissioner Maye's offices. I'll start first
24 with the Cost Allocation of Combination Poles, which

1 appears on page 25 of the Order.

2 This edit merely makes the conclusion
3 clearer regarding the proper cost allocation for
4 combination poles. The PEPO noted that the CA
5 Distribution Study recommended that we allocate 100
6 percent of combination pole costs to primary service.
7 This is technically correct, but we thought it was
8 important to avoid any confusion and also add in that
9 the full recommendation, which the Commission adopts,
10 was to allocate 100 percent of the combination pole
11 cost as shared costs associated with primary voltage
12 service.

13 Second, with respect to Residential Cost
14 Allocation Adjustment, this appears on page 47 of the
15 PEPO. This edit notes that we asked ComEd to provide
16 a study regarding cost-characteristics related to
17 serving low-use ratepayers, which they failed to do.
18 The edit then stresses to the utility that we would
19 like the study conducted in the event that we agree
20 with City/CUB that a reallocation of costs is
21 necessary and need the most accurate numbers
22 available.

23 Third, with respect to overall ECROSS
24 Recommendation on page 51 of the PEPO, these edits do

1 not change the conclusion but further flesh out the
2 reasoning why certain costs should not be assigned to
3 the railroad class as there are economic,
4 environmental and social benefits flowing from a
5 reasonably-priced public transportation system in a
6 populous metropolitan area.

7 They note that the Commission must consider
8 the potential adverse impact of the utility rate
9 increase on entities that provide public
10 transportation, a cost that may very well be passed
11 on to those who use the public transportation system
12 or the taxpayers who help fund it.

13 Last, the edits note that our commitment to
14 a policy of encouraging conservation, efficient
15 energy use and the environmental benefits of
16 affordable public transportation has not lessened
17 since our decision in Docket Number 10-0467. Edits
18 have also been added in this section to state why the
19 same arguments do not apply to all the large load
20 customer classes.

21 Finally, with respect to Reconnection Fee on
22 page 109 of the PEPO, the edit does not change the
23 conclusion, but further supports Staff's argument
24 that there should be a different reconnection fee

1 that applies to smart meters, because one of the
2 purposes of smart meters is to enable utilities to be
3 capable of remotely disconnecting and reconnecting
4 customers, which would then save on costs.

5 With that, I would then move for the
6 adoption of these proposed edits.

7 Is there a second?

8 COMMISSIONER DEL VALLE: Second.

9 CHAIRMAN SCOTT: Second by Commissioner del
10 Valle.

11 Is there any discussion on these edits?

12 (No response.)

13 CHAIRMAN SCOTT: All in favor say aye.

14 (Chorus of ayes.)

15 CHAIRMAN SCOTT: Any opposed?

16 (No response.)

17 CHAIRMAN SCOTT: The vote is five to nothing
18 and the edits are adopted.

19 Commissioner Maye.

20 COMMISSIONER MAYE: Thank you, Chairman
21 Scott.

22 I am proposing an edit to the Residential
23 Rate Design section of the PEPO. The PEPO abandons
24 the straight fixed variable residential rate design

1 adopted in Docket 10-0467 and adopts the AG proposed
2 rate design.

3 While I definitely appreciate the PEPO's
4 concerns regarding the issue, including the impact on
5 low-use customers, I believe the Commission requires
6 more information prior to making such a departure
7 from its previous decision in Docket 10-0467.

8 Therefore, the edits that I've circulated
9 adopt ComEd's proposal that the Commission initiate a
10 new proceeding solely focused on residential rates to
11 determine whether or not such a fixed cost recovery
12 is still necessary and the effects on low-use
13 consumers.

14 Since the residential rates in this
15 proceeding will not take effect until January 1,
16 2015, the Commission would have approximately one
17 year to conduct this new proceeding. And if at the
18 end of such investigation it is determined that an
19 SFV rate design is not in the best interest of
20 consumers, then at that time, we should eradicate the
21 SFV model.

22 I, therefore, move to put these edits into
23 -- I, therefore, move the adoption of these edits.

24 CHAIRMAN SCOTT: And I will second that.

1 Discussion on these edits?

2 Commissioner McCabe.

3 COMMISSIONER McCABE: I support the Proposed
4 Order's decision to adopt AG's methodology for
5 residential rate design. It provides the best rate
6 design for ComEd's residential customers. While this
7 is a major shift in Commission policy, the record
8 supports moving away from SFV for the following
9 reasons:

10 The shift to SFV occurred in Docket 10-0467,
11 a traditional rate case, which occurred prior to the
12 EIMA and Smart Grid deployment. To maximize Smart
13 Grid investment, we should provide customers proper
14 incentives to conserve energy through rate design.

15 The AG's proposal more correctly ties the
16 fixed cost from their ECOSSE to fixed charges. It
17 will reduce the cross-subsidization if the AG proves
18 it is occurring for low-use customers to high-use
19 customers.

20 With that said, there may be benefits to
21 further study of a residential rate design.

22 CHAIRMAN SCOTT: Further discussion?

23 Commissioner del Valle.

24 COMMISSIONER DEL VALLE: I share the ALJs'

1 concern on the regressive nature of these charges and
2 agree with the PEPO's conclusion. Analysis in the
3 record show certain customers paying 20 to 40 percent
4 over their cost. Points to a need to return to cost
5 causation principle.

6 Therefore, I will be voting no on the
7 proposed edit.

8 CHAIRMAN SCOTT: Further discussion?

9 (No response.)

10 CHAIRMAN SCOTT: I'll say in the way of
11 discussion, I am going to support the proposed edit.
12 I think because it's such a major shift, I think we
13 need to be a bit more cautious in this case. I think
14 the investigation, as proposed by Commissioner Maye's
15 edit, will allow us the best opportunity to
16 understand that this is the proper way to go.
17 Without the investigation, I don't know that I would
18 have supported the edit. I think that the fact
19 that's in there would give us a good opportunity to
20 understand whether this is the proper policy shift to
21 make at this time.

22 Further comments?

23 (No response.)

24 CHAIRMAN SCOTT: The edits have been moved

1 and seconded. All in favor say aye.
2 Aye.
3 COMMISSIONER MAYE: Aye.
4 CHAIRMAN SCOTT: Any opposed?
5 COMMISSIONER DEL VALLE: No.
6 COMMISSIONER COLGAN: No.
7 COMMISSIONER MCCABE: No.
8 CHAIRMAN SCOTT: Vote is two to three and
9 the edit is not adopted.
10 Is there further comments or edits on E-11?
11 (No response.)
12 CHAIRMAN SCOTT: Is there a motion to enter
13 the Order as amended?
14 COMMISSIONER COLGAN: So moved.
15 CHAIRMAN SCOTT: Moved by Commissioner
16 Colgan.
17 COMMISSIONER DEL VALLE: Second.
18 CHAIRMAN SCOTT: Second by Commissioner del
19 Valle.
20 Any discussion?
21 (No response.)
22 CHAIRMAN SCOTT: All in favor say aye.
23 (Chorus of ayes.)
24 CHAIRMAN SCOTT: Any opposed?

1 (No response.)

2 CHAIRMAN SCOTT: The vote is five to nothing
3 and the Order, as amended, is entered.

4 And again, thank you very much to Judges
5 Hilliard and Jorgenson for their work on this
6 particular item.

7 Item E-12 is Docket Number 13-0423 and
8 13-0424. This is MidAmerican's Petition for Approval
9 of its Energy Efficiency Plan pursuant to Section
10 8-408 of the Public Utilities Act, and its Request
11 for Waiver of 83 Illinois Administrative Code Section
12 410.210(a)(3)(E) and 500.330(a)(1)(B)(v).

13 ALJ Teague-Kingsley recommends entry of an
14 Order approving the Energy Efficiency Plan and
15 denying the waiver.

16 Is there any discussion?

17 (No response.)

18 CHAIRMAN SCOTT: Any objections?

19 (No response.)

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

22 Item E-13 is Docket Number 13-0546. This is
23 Illinois Power Agency's Petition for Approval of the
24 2014 IPA Procurement Plan pursuant to Section

1 16-111.5(d)(4) of the Public Utilities Act.

2 ALJ Wallace recommends entry of a
3 Post-exceptions Order.

4 I have some proposed edits to put forth for
5 this Order and thank Commissioner Maye and
6 Commissioner Colgan and their offices for their
7 contributions on the language to these edits.

8 And they are as follows:

9 First, with respect to Full Requirements
10 Products on pages 94 to 96 of the Order. This edit
11 alters the language to specifically address that full
12 requirements products do, in fact, meet the
13 requirements to be considered "standard products"
14 under Section 16-111.5. It's important to make the
15 legal determination now so that the parties can focus
16 their efforts on better crafted arguments around the
17 implementation of actual full requirement procurement
18 strategies in the next plan rather than getting
19 sidelined by whether we can actually use them or not.

20 In addition, we note that the IPA should
21 have conducted a more robust analysis around the full
22 requirements procurement strategy in this proceeding
23 and we would direct them to do so in the next plan
24 filing.

1 The second set of edits are to the section
2 on Energy Efficiency. The first group can be found
3 on pages 145 to 146. These edits do not change the
4 Commission conclusion regarding not treating DCEO as
5 a utility, but do go beyond the original conclusion
6 to recommend a workshop in which the parties address
7 what the barriers to DCEO's participation through the
8 third party RFP process are, as that was not
9 adequately done in this proceeding.

10 The next group appears on page 147 and
11 states that a legislative change to the timeline for
12 approval of Section 8-103 programs would be the most
13 effective solution to the issue regarding including
14 expansion of those programs in the IPA procurement.

15 The last group of edits appears on page 149
16 and deletes the workshop recommendation for the
17 duplicative programs as we felt that this was
18 unnecessary. It also adds additional precision to
19 the conclusion regarding the current process.

20 Next, with respect to Alternative Compliance
21 Payments, a set of edits can be found on page 157.
22 This set of edits do not change the conclusion that
23 the ACP rates are outside the scope of this
24 proceeding. They do add language to recommend, to

1 the extent possible, that Staff post updates to the
2 ACP rate calculations in a timely fashion, but not
3 more than once a month, as directed in the statute.

4 Next, with respect to Renewable Resources on
5 page 181. If the renewable suppliers wish to provide
6 evidence that their proposal to only curtail REC
7 purchase and not the energy portion of LTPPAs will
8 not harm utility customers and will be in the public
9 interest, the Commission will consider revisiting the
10 issue. At this time, the only point that has been
11 made, according to this edit, is why their proposal
12 is in the interest -- actually, within their interest
13 and not within the customers' interest.

14 With that, I would move for the adoption of
15 these proposed edits for the Order.

16 Is there a second?

17 COMMISSIONER COLGAN: I will second your
18 motion.

19 CHAIRMAN SCOTT: Second by Commissioner
20 Colgan.

21 Any discussion?

22 COMMISSIONER COLGAN: Yes, I have a couple
23 of comments.

24 The issue of DCEO participation is a

1 concerning issue to me. I actually looked into their
2 Brief on Exceptions for proposals for how they
3 thought they could change the Proposed Order in a way
4 that would have included them in this process. And I
5 didn't find that in there.

6 So I think then the best -- next best thing
7 is to have this workshop process; and hopefully, the
8 parties can come to some agreement for what that role
9 and how they can become eligible to participate in
10 this process, even if that turns out to be a
11 recommendation to amend the statute.

12 And then the other comment I had to make is
13 just that I thought the IPA did an excellent job in
14 putting this together. And I think the way we wrote
15 it up internally here was easy to follow and
16 comprehensive. And just good work all the way
17 around.

18 CHAIRMAN SCOTT: Further discussion on the
19 edits?

20 (No response.)

21 CHAIRMAN SCOTT: All in favor say aye.

22 (Chorus of ayes.)

23 CHAIRMAN SCOTT: Any opposed?

24 (No response.)

1 CHAIRMAN SCOTT: The vote is five to nothing
2 and the edits are adopted.

3 Commissioner McCabe.

4 COMMISSIONER McCABE: First, I would like to
5 note that the compressed schedule for the Procurement
6 Plan makes it difficult for parties to have time to
7 really review the plan. To which credit, after
8 several years of advocating full requirements, ICEA
9 has submitted a report by NorthBridge which the
10 schedule did not allow all parties to fully review.
11 Short timeframes are an issue on the formula rate
12 dockets as well, though the number of issues may
13 increase with each year.

14 All this is to say is that some of us share
15 the frustrations on timeframes and the Commission
16 will continue to make the most recent decisions
17 within the timeframes imposed and directed report.

18 I propose edits to the conclusion of the
19 full requirement section on pages 94 to 96 of the
20 PEPO. These edits do not alter the conclusion, but
21 rather, the edits give a little more context to the
22 Commission's rationale for its decision.
23 Specifically, the amendments make some deletions, add
24 language about the balance the Commission must strike

1 when making procurement decisions, provide more
2 discussion on the NorthBridge report sponsored by
3 ICEA with which Staff agreed on several items.

4 We acknowledge that no party disagreed that
5 fixed price fuel resource products will likely
6 include a premium compared to its traditional fixed
7 products, and find that the Commission believes the
8 IEPA has taken several steps to mitigate future load
9 risks, including decreasing the size of which
10 traditional procurement blocks will be in December of
11 2014, and adding a second procurement option in
12 September.

13 I move the edits adoption.

14 CHAIRMAN SCOTT: Is there a second?

15 COMMISSIONER COLGAN: Second.

16 CHAIRMAN SCOTT: Second by Commissioner
17 Colgan.

18 Any discussion on the proposed edits?

19 (No response.)

20 CHAIRMAN SCOTT: All in favor say aye.

21 (Chorus of ayes.)

22 CHAIRMAN SCOTT: Any opposed?

23 (No response.)

24 CHAIRMAN SCOTT: The vote is five to nothing

1 and the edits are adopted.

2 Are there any other edits or comments?

3 (No response.)

4 CHAIRMAN SCOTT: Is there a motion to enter
5 the Order as amended?

6 COMMISSIONER MAYE: So moved.

7 CHAIRMAN SCOTT: Moved by Commissioner Maye.

8 COMMISSIONER McCABE: Second.

9 CHAIRMAN SCOTT: Second by Commissioner
10 McCabe.

11 Any further discussion?

12 (No response.)

13 CHAIRMAN SCOTT: All in favor say aye.

14 (Chorus of ayes.)

15 CHAIRMAN SCOTT: Any opposed?

16 (No response.)

17 CHAIRMAN SCOTT: The vote is five to nothing
18 and the Order, as amended, is entered.

19 Thank you very much to Judge Wallace for all
20 of your work there.

21 JUDGE WALLACE: Well, I have to kind of
22 interrupt here and say that I would have been lost
23 without Steve Hickey's assistance on this Order. So
24 Steve's assistance is greatly appreciated.

1 CHAIRMAN SCOTT: That's two Steve Hickey
2 shout-outs today. Very good. We appreciate it.

3 And also, I concur with the remarks that
4 Commissioner Colgan made and commend the IPA. A very
5 difficult process. Lots of very challenging issues.
6 And I think they did a very good job with this as
7 well. So again, thank you very much to all involved
8 with that item.

9 Items E-14 through E-19 can be taken
10 together. These items are Applications for
11 Certification as an Installer of Distributed
12 Generation Facilities, pursuant to Section 16-128A of
13 the Public Utilities Act.

14 In each case, ALJ Baker recommends entry of
15 an Order granting the requested certificate.

16 Is there any discussion?

17 (No response.)

18 CHAIRMAN SCOTT: Any objections?

19 (No response.)

20 CHAIRMAN SCOTT: Hearing none, the Orders
21 are entered.

22 JUDGE WALLACE: Mr. Chairman, I just wanted
23 to point out on these, these are first approvals of
24 certificates under the DG facilities.

1 CHAIRMAN SCOTT: And more to come --

2 JUDGE WALLACE: More to come.

3 CHAIRMAN SCOTT: -- from what we understand.

4 Very good. Thank you, sir.

5 Item E-20 is Docket Number 13-0617. This is
6 Planet Energy Illinois' Motion to Withdraw its
7 Application for Certificate of Service Authority to
8 Operate as an Alternative Retail Electric Supplier
9 pursuant Section 16-115 of the Public Utilities Act.

10 ALJ Jorgenson recommends entry of an Order
11 granting the Motion to Withdraw.

12 Is there any discussion?

13 (No response.)

14 CHAIRMAN SCOTT: Any objections to granting
15 the motion?

16 (No response.)

17 CHAIRMAN SCOTT: Hearing none, the motion is
18 granted and the proceeding is dismissed.

19 Item E-21 is Docket Number 13-0657. This is
20 ComEd's Application for a Certification of Public
21 Convenience and Authority pursuant to Section 8-406.1
22 of the Public Utilities Act and an Order pursuant to
23 Section 8-503 of the Public Utilities Act to
24 Construct, Operate and Maintain a new 345-kilovolt

1 transmission line in Ogle, DeKalb, Kane and DuPage
2 Counties.

3 This statute only provides the Commission
4 150 days to assess the application, but also provides
5 that the Commission may extend this 150-day period by
6 75 days if it finds good cause exists to do so.

7 Staff has filed a motion requesting that the
8 deadline in this case be extended because the
9 petition promises to raise novel issues and
10 participation by interested parties.

11 ALJ Hilliard recommends the Commission grant
12 this motion.

13 Is there any discussion?

14 (No response.)

15 CHAIRMAN SCOTT: I would just say that based
16 on our recent past experience with transmission line
17 cases brought under this section of the Act and based
18 on the novel issues that are presented in this
19 proceeding, it's certainly my opinion that it's in
20 all the parties' best interest and public's best
21 interest to extend this deadline. And probably would
22 extend it beyond that if the statute would allow, but
23 it doesn't.

24 Are there any objections to granting the

1 motion?

2 (No response.)

3 CHAIRMAN SCOTT: Hearing none, the motion is
4 granted and the statutory deadline will be extended
5 by 75 days.

6 Turning now to Natural Gas. Item G-1 is our
7 Order commencing reconciliation of revenues collected
8 under Ameren, Consumer's Gas, Illinois Gas, Liberty
9 Utilities, MidAmerican, Mt. Carmel, Nicor Gas, North
10 Shore Gas and the Peoples Gas Light and Coke
11 Company's gas adjustment charges with actual costs
12 prudently incurred for the year 2013.

13 Staff recommends entry of an Order
14 initiating each proceeding.

15 Is there any discussion?

16 (No response.)

17 CHAIRMAN SCOTT: Any objections?

18 (No response.)

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

21 Items G-2 through G-5 can be taken together.
22 These items are filings by Nicor, North Shore Gas,
23 the Peoples Gas Light and Coke Company and Ameren
24 Illinois to make changes to their Riders concerning

1 on-bill financing. In each case, Staff recommends we
2 approve the changes by not suspending the filing.

3 Is there any discussion?

4 (No response.)

5 CHAIRMAN SCOTT: Any objections to not
6 suspending the filing?

7 (No response.)

8 CHAIRMAN SCOTT: Hearing none, the filings
9 are not suspended.

10 Item G-6 is Docket Numbers 11-0663/11-6634.
11 This is North Shore Gas Company and the Peoples Gas
12 Light and Coke Company's petitions pursuant to Rider
13 Enhanced Efficiency Program for a reconciliation
14 proceeding to determine the accuracy of each
15 utility's Rider EEP Reconciliation Statement. ALJ
16 Jorgenson recommends entry of an Order approving the
17 reconciliations.

18 Is there any discussion?

19 (No response.)

20 CHAIRMAN SCOTT: Any objections?

21 (No response.)

22 CHAIRMAN SCOTT: Hearing none, the Order is
23 entered.

24 Item G-7 is Docket Numbers 12-0511 and

1 12-0512. This is North Shore Gas Company and the
2 Peoples Gas Light and Coke Company's proposed general
3 rate increase for gas distribution services on
4 rehearing.

5 ALJs Dolan and Teague-Kingsley recommend
6 entry of an Order on rehearing.

7 Is there discussion?

8 (No response.)

9 CHAIRMAN SCOTT: Any objections?

10 (No response.)

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

13 Item G-8 is Docket Number 13-0192. This is
14 AIC's proposed general increase in gas rates.

15 ALJ Jones recommends entry of a
16 Post-exceptions Order.

17 Judge Wallace, I know Judge Jones isn't
18 available today. Is there an update on public
19 comments?

20 JUDGE WALLACE: Apparently not. It's my
21 fault. I forgot to look.

22 MR. HICKEY: There is no update.

23 CHAIRMAN SCOTT: There is no update? Okay.
24 Thank you very much.

1 JUDGE WALLACE: See how helpful he is.

2 CHAIRMAN SCOTT: Again, I would like to
3 thank all the offices for all of their hard work in
4 reviewing this Order and very much appreciate the
5 discussions that have been held.

6 I understand there are some edits up for
7 vote today. And I will move through them as we have
8 with the other Orders.

9 I will start the number of edits to this
10 Order beginning first with ADIT for Metro East
11 Transfer. These edits can be found on pages 14 and
12 15 of the PEPO and they alter the conclusion to
13 support Staff's recommendation over AIC's in order to
14 maintain consistency with Docket 13-0301. We have
15 included supplementary language directing AIC to
16 provide specific information regarding lack of harm
17 or cost to ratepayers from the internal transfer of
18 assets in the future.

19 Next, Cash Working Capital, page 20 of the
20 PEPO. Language has been added clarifying that AIC
21 has not provided the Commission with evidence of the
22 costs associated with changes to its system as a
23 result of an adjustment to the remittance schedule,
24 but should the Company choose to do so in the future,

1 the Commission may be inclined to revisit the issue.

2 Third, with respect to Sewer Cross Bore
3 Inspections on page 37 of the PEPO supporting the
4 Commission's conclusion that 2,000 inspections are
5 satisfactory, but also to encourage AIC to actually
6 conduct the full 2,000 inspections in 2014.

7 Fourth, with respect to Accelerated Leak
8 Repairs, these edits can be found on page 40 of the
9 PEPO and incorporate additional language stating that
10 the Commission believes granting the full allowance
11 requested by AIC for leak repairs is important for
12 safety and environmental reasons.

13 Fifth, with respect to Corrosion Control
14 Painting on page 47 of the PEPO, this edit reverses
15 the Commission conclusion from finding in favor of
16 Staff and AG/CUB to supporting AIC's proposal. While
17 we wouldn't dispute the argument that Staff and
18 AG/CUB suggested an amount based more closely on
19 historical expenditures, we don't believe that this
20 is the issue at hand. The question the Commission
21 needs to address is whether the expansion of the
22 painting program is justified. This edit indicates
23 expansion is justified and has incorporated language
24 in support of that position. It also encourages the

1 Company to fully comply with the targets it has
2 presented to us in order to justify the expense
3 moving forward.

4 Sixth, on Rate Case Expense. These edits
5 can be found on pages 51 to 52 of the PEPO. They
6 change the Commission's conclusion regarding Staff's
7 adjustment of \$204,000 for rebuttal witnesses who
8 never filed testimony, produced any tangible work
9 product or, as far as can be told, even were engaged
10 after it was discovered that Staff would not be
11 filing any supplemental rebuttal testimony.

12 AIC argued that they should be permitted to
13 recover the costs for these experts because they were
14 engaged in anticipation that one Staff witness might
15 file supplemental rebuttal testimony when the
16 consultants' services were not needed. Staff
17 adjusted Company's requested rate case expense to
18 \$20,000 to reflect the estimated cost for the one
19 consultant who provided support to the Company on
20 cash working capital issues. The initial amount
21 requested by AIC was \$224,000, but adequate support
22 was not provided for the remaining estimated amount
23 of \$204,000, the majority of these expenses.

24 Certainly, prudent planning would require

1 the Company to anticipate the services of additional
2 consultants through the late stages of a rate case,
3 and the Company should project a level of rate case
4 expense that sufficiently reflects the attendant
5 cost, but AIC does not explain why, when it learned
6 that the additional consultants would not be needed,
7 it did not agree to revise its rate case expense
8 accordingly.

9 Seventh, on Charitable Contributions. Edits
10 are on page 61 of the PEPO and change the Commission
11 conclusion to adopt Staff's three-year average
12 methodology for calculating the estimate for
13 charitable contributions. While neither method
14 discussed in the Order is an exact science, the
15 three-year average has the benefit of smoothing out
16 any outlier years, which could potentially have a
17 significant impact on the estimate in the AG/CUB's
18 proposed method. These edits also delete the final
19 paragraph in the conclusion which discusses the
20 Missouri conference finding in that the discussion
21 was not relevant.

22 Eight, with respect to Forecasted
23 Advertising Expense on page 69 to 70 of the PEPO.
24 These change the Commission conclusion to adopt

1 Staff's proposed methodology for calculating
2 forecasted advertising expenses. It appeared as
3 though the AG/CUB method is entirely incorrect. Both
4 Staff and AIC agree that the AG/CUB is not a
5 reasonable proxy for forecasting gas expenses. Staff
6 enumerates the reasons for this in its BOE stating
7 that the AG/CUB method of applying percentage of the
8 disallowed advertising expenses from 2011's actual
9 electric expenses to 2014's future projected gas
10 expense is not reasonable as there is no correlation
11 between these two different test year methodologies.

12 Similar to our rationale regarding using the
13 three-year methodology for charitable contributions,
14 using Staff's four-year average baseline helps to
15 account for multi-year trends. Additionally, we
16 incorporate language that directs AIC, should they
17 spend their entire budget and need more, to provide
18 detailed evidence so that we may make the decision to
19 appropriately increase the advertising expense in a
20 future proceeding.

21 With that, I'll move the adoption of all
22 eight of those that I've submitted.

23 Is there a second?

24 COMMISSIONER DEL VALLE: Second.

1 CHAIRMAN SCOTT: Second by Commissioner del
2 Valle.

3 Is there any discussion on any of these
4 edits?

5 (No response.)

6 CHAIRMAN SCOTT: All in favor say aye.

7 (Chorus of ayes.)

8 CHAIRMAN SCOTT: Any opposed?

9 (No response.)

10 CHAIRMAN SCOTT: The vote is five to nothing
11 and the edits are adopted.

12 Commissioner Colgan.

13 COMMISSIONER COLGAN: Thank you, Chairman.

14 I am proposing amendments today to the
15 Commission's conclusion in the Small Volume
16 Transportation section of the Ameren Gas Rate Case
17 Order. My proposed edits don't change the conclusion
18 that it is in the public interest to approve the SVT
19 program for Ameren at this time. That's small volume
20 transportation. What my edits do, however, is add
21 essential consumer protections in light of experience
22 in other Illinois service territories.

23 While recent amendments to the alternative
24 gas supplier law provide layers of security to the

1 alternative gas supplier certification process, these
2 provisions do not directly address, in my opinion,
3 the severity of the problems seen in the door-to-door
4 sales model and its potential for customer confusion
5 and misleading marketing. Accordingly, my edits
6 mandate that the following three consumer protections
7 be included in Ameren's SVT program:

8 Number one, a customer shall be absolved
9 from paying any termination fees if, prior to the due
10 date of their first bill, they notify the supplier
11 that they are terminating the contract.

12 Two, when a customer has accepted service
13 from a supplier after solicitation by a door-to-door
14 salesperson, there shall be no termination fees
15 assessed if the customer terminates during the first
16 six billing cycles.

17 Three, if a supplier's marketing materials
18 include a price comparison of the supplier rate and
19 the gas utility rate, the depiction of such
20 comparison shall display at least three years of data
21 in no greater than quarterly increments, and shall
22 also display the supplier's offered price for the
23 same or equivalent products or services for each of
24 the same increments.

1 In addition, my proposed edits delete
2 reference to CUB's participation, or a lack thereof,
3 in the workshop process.

4 Mr. Chairman and Commissioners, I request
5 your support for these edits and move that they be
6 adopted.

7 CHAIRMAN SCOTT: Edits have been moved.

8 Is there a second?

9 COMMISSIONER DEL VALLE: Second.

10 CHAIRMAN SCOTT: Second by Commissioner del
11 Valle.

12 Any discussion on the edits?

13 Commissioner McCabe.

14 COMMISSIONER MCCABE: While I will support
15 Commissioner Colgan's edits to include the three
16 consumer protections introduced by CUB, I want to
17 acknowledge that this proposal was brought forth on
18 rebuttal, which left RESA and ISA no opportunity to
19 respond in testimony. They did respond in briefing.

20 In general, the parties should bring forth
21 the recommendations and direct testimony to the
22 extent possible so that all parties have an
23 opportunity to offer competing evidence and response.
24 Thank you.

1 CHAIRMAN SCOTT: Further discussion?

2 (No response.)

3 CHAIRMAN SCOTT: Edits have been moved and
4 seconded. All in favor say aye.

5 (Chorus of ayes.)

6 CHAIRMAN SCOTT: Any opposed?

7 (No response.)

8 CHAIRMAN SCOTT: The vote is five to nothing
9 and the edits are adopted.

10 Commissioner del Valle.

11 COMMISSIONER DEL VALLE: Mr. Chairman, first
12 I want to thank your office for input in this
13 proposal.

14 The edit can be found on page 82 of the PEPO
15 regarding Credit Card Expenses. These edits adopt
16 Staff's adjustments and find that several expenses
17 are not recoverable. The edits also reiterate prior
18 Commission concerns regarding the AIC's employee
19 credit card procedures and controls.

20 CHAIRMAN SCOTT: Are you moving the adoption
21 of the edits?

22 COMMISSIONER DEL VALLE: I move the adoption
23 of the edits.

24 CHAIRMAN SCOTT: Is there a second?

1 COMMISSIONER MAYE: Second.

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

4 Any discussion on Commissioner del Valle's
5 edits?

6 (No response.)

7 CHAIRMAN SCOTT: All in favor say aye.

8 (Chorus of ayes.)

9 CHAIRMAN SCOTT: Any opposed?

10 (No response.)

11 CHAIRMAN SCOTT: The vote is five to nothing
12 and the edits are adopted.

13 Are there other comments or edits we have
14 not already addressed?

15 COMMISSIONER MAYE: Yes.

16 CHAIRMAN SCOTT: Commissioner Maye.

17 COMMISSIONER MAYE: Thank you.

18 As it concerns the Commission-approved ROB
19 in this case, I would like to elaborate that while I
20 will support the PEPO, I believe it's important for
21 the Commission to consider various factors in the ROB
22 analysis. Among those should be utilities planned
23 investments, and for context purposes, general market
24 conditions and trends to the extent which they are

1 verifiable and unbiased. To that end, I would
2 encourage AIC to revisit it's CAPM approach in order
3 to develop which is more in line with the approach
4 that has been more generally accepted by the
5 Commission in the past.

6 As Staff pointed out, the current approach
7 used by AIC contains some flaws which need to be
8 addressed. If in the future the Commission is then
9 presented this type of data, perhaps a different
10 result can be reached on this issue. Thank you.

11 CHAIRMAN SCOTT: Further comments?

12 (No response.)

13 CHAIRMAN SCOTT: Is there a motion to enter
14 the Order as amended?

15 COMMISSIONER COLGAN: So moved.

16 CHAIRMAN SCOTT: Is there a second?

17 COMMISSIONER DEL VALLE: Second.

18 CHAIRMAN SCOTT: Moved by Commissioner
19 Colgan; second by Commissioner del Valle.

20 Any further discussion?

21 (No response.)

22 CHAIRMAN SCOTT: All in favor say aye.

23 (Chorus of ayes.)

24 CHAIRMAN SCOTT: Any opposed?

1 (No response.)

2 CHAIRMAN SCOTT: The vote is five to nothing
3 and the Order, as amended, is entered.

4 Again, thank you to the offices and thank
5 you very much to Judge Jones. If you would pass that
6 along to him. Thank you.

7 Item G-9 is Docket Number 13-0458. This is
8 our proceeding to adopt rules in accordance with
9 newly created Section 9-220.3, which authorizes the
10 Commission to approve tariffs that allow natural gas
11 utilities of a certain size to recover, through
12 tariffs, the costs of certain infrastructure
13 improvements without seeking a general rate increase.

14 ALJ Dolan recommends entry of an Order
15 adopting the new rules.

16 Is there any discussion?

17 (No response.)

18 CHAIRMAN SCOTT: Is there any objection?

19 (No response.)

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

22 Item G-10 is Docket Number 13-0616. This is
23 Planet Energy's Motion to Withdraw its Application
24 for a Certificate of Service Authority to Operate as

1 an Alternative Gas Supplier, pursuant to Section
2 19-110 of the Public Utilities Act.

3 ALJ Sainsot recommends that we grant the
4 motion and dismiss the proceeding without prejudice.

5 Is there any discussion?

6 (No response.)

7 CHAIRMAN SCOTT: Any objections to granting
8 the motion?

9 (No response.)

10 CHAIRMAN SCOTT: Hearing none, the motion is
11 granted and the proceeding is dismissed.

12 On to Telecommunications. Item T-1 is
13 Docket Number 13-0630. This is Montrose Mutual Long
14 Distance's Petition for Emergency Relief for the
15 confidential and/or proprietary treatment of their
16 annual report for not less than two years.

17 ALJ Sainsot recommends entry of an Order
18 granting the petition.

19 Is there any discussion?

20 (No response.)

21 CHAIRMAN SCOTT: Any objections?

22 (No response.)

23 CHAIRMAN SCOTT: Hearing none, the Order is
24 entered.

1 On to Water and Sewer. Item W-1 is Docket
2 Number 13-0646 and 13-0647. This is Aqua Illinois'
3 petition for approval of an affiliated interest
4 transaction under Section 7-101 regarding issuance of
5 notes to refinance outstanding issues of bonds and
6 approval of a financial services agreement, as well
7 as Aqua Illinois' Informational Statement pursuant to
8 Section 6.102(d) regarding the issuance of
9 \$23,140,000 of long-term indebtedness.

10 ALJ Yoder recommends entry of an Order
11 granting the authority to issue long-term
12 indebtedness and authority to enter into the
13 affiliate transaction.

14 Is there any discussion?

15 (No response.)

16 CHAIRMAN SCOTT: Any objections?

17 (No response.)

18 CHAIRMAN SCOTT: Hearing none, the Order is
19 entered.

20 We have two miscellaneous items on the
21 agenda today. Item M-1 is our Order establishing for
22 2014 the interest rate to be applied to customer
23 deposits pursuant to 83 Illinois Administrative Code
24 Parts 280.70 and 735.120.

1 Staff recommends that we approve the
2 interest rates by entering the Order.

3 Is there any discussion?

4 (No response.)

5 CHAIRMAN SCOTT: Any objections?

6 (No response.)

7 CHAIRMAN SCOTT: Hearing none, the Order is
8 entered.

9 Item M-2 is our proceeding to amend 83
10 Illinois Administrative Code, Section 200, the Rules
11 of Practice, to incorporate recent changes to
12 Illinois Supreme Court Rule 707 regarding practice in
13 Illinois of attorneys licensed in other
14 jurisdictions.

15 Staff recommends entry of an Order
16 initiating the rulemaking proceeding and authorizing
17 the submission of a notice of proposed rulemaking to
18 the Secretary of State.

19 Is there any discussion?

20 (No response.)

21 CHAIRMAN SCOTT: Any objections?

22 (No response.)

23 CHAIRMAN SCOTT: Hearing none, the Order is
24 entered.

1 We have one item of other business to
2 consider today, which is a FERC matter concerning
3 pending litigation. So we will go into Closed
4 Session to address it.

5 Is there a motion to go into Closed Session?

6 COMMISSIONER MCCABE: So moved.

7 CHAIRMAN SCOTT: Is there a second?

8 COMMISSIONER MAYE: Second.

9 CHAIRMAN SCOTT: Moved by Commissioner
10 McCabe; second by Commissioner Maye.

11 All in favor say aye.

12 (Chorus of ayes.)

13 CHAIRMAN SCOTT: Any opposed?

14 (No response.)

15 CHAIRMAN SCOTT: The vote is five to
16 nothing. And the Commission will now go into Closed
17 Session. Please let me know when the room is ready
18 in Chicago.

19 (Whereupon at this point pages 55 -
20 70 of the proceedings are contained
21 in a separate closed transcript.)

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CONTINUATION OF PROCEEDINGS

CHAIRMAN SCOTT: In Closed Session, the Commission discussed FERC Docket ER-14-503-000 and the ICC's proposed comments on PJM's proposal to revise the reliability pricing model design to add a capacity import limit.

Is there a motion to file the comments with FERC?

COMMISSIONER COLGAN: So moved.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER MCCABE: Second.

CHAIRMAN SCOTT: Moved by Commissioner Colgan; second by Commissioner McCabe.

Any discussion?

(No response.)

CHAIRMAN SCOTT: All in favor say aye.

(Chorus of ayes.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: The vote is five to nothing and the filing will be made with FERC.

Before we adjourn this meeting and get into our Emergency Special Open Meeting, Commissioner Colgan.

1 COMMISSIONER COLGAN: I just wanted to take
2 a minute to let everybody know that our NARUC
3 exchange, partnership exchange with Tanzania is
4 happening. We're going to have five people from
5 EWURA. Their Regulatory Authority will show up here
6 in Springfield on the 26th of January. I hope we
7 have some decent weather for them. I hope they buy
8 coats too. They live pretty close to the equator, so
9 they're not used to brutal Illinois winter weather.

10 But five of them are going to be here.
11 They're going to be here in Springfield for the whole
12 week. There's going to be two evenings when we have
13 collective dinners with them, Monday and Wednesday.
14 And I want to invite all my fellow commissioners to,
15 at some point, maybe come down for a day and meet
16 these people. And if we could all do it at the same
17 time, that would be really convenient. Maybe an
18 afternoon and then go out to dinner with them.

19 But I have been meeting with Jonathan and
20 Gene Beyer and Linda Wagner and Randy Rismiller, and
21 we have had several meetings. And Chairman, you have
22 been in a couple of those organizing that activity.
23 And I think we're going to be able to help them a
24 lot. So it's coming right on up.

1 CHAIRMAN SCOTT: Very good. Thanks,
2 Commissioner. We appreciate your leadership on that
3 collaborative.

4 Judge Wallace, any other matters to come
5 before the Commission in this meeting today?

6 JUDGE WALLACE: No, Mr. Chairman.

7 CHAIRMAN SCOTT: Thank you.

8 Very well. This meeting stands adjourned.

9 BENCH SESSION CONCLUDED.

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CERTIFICATE OF REPORTER

I, Angela C. Turner, a Certified Shorthand Reporter within and for the State of Illinois, do hereby certify that the hearing aforementioned was held on the time and in the place previously described.

IN WITNESS WHEREOF, I have hereunto set my hand and seal.

Angela C. Turner
IL CSR #084-004122