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BEFORE THE
ILLINOIS COMMERCE COMMISSION

PUBLIC UTILITY BENCH SESSION

Chicago, Illinois
May 2, 2012

Met, pursuant to notice, at 10:30 a.m.

BEFORE:

- MR. DOUGLAS P. SCOTT, Chairman
- MS. LULA M. FORD, Commissioner
- MS. ERIN M. O'CONNELL-DIAZ, Commissioner
- MS. ANN McCABE, Acting Commissioner
- MR. JOHN T. COLGAN, Commissioner

SULLIVAN REPORTING COMPANY, by
Auhdikiam Carney, CSR
License No. 084-004658

1 CHAIRMAN SCOTT: Pursuant to the provisions of
2 the Illinois Open Meetings Act, I now convene a
3 regularly scheduled Bench Session of the Illinois
4 Commerce Commission. With me in Chicago are
5 Commissioner Ford and Acting Commissioner McCabe.
6 With us in Springfield is Commissioner Colgan. I'm
7 Chairman Scott.

8 We have a quorum.

9 We will also have Commissioner
10 O'Connell-Diaz available by phone. Per our rules,
11 we'll have to vote to allow Commissioner
12 O'Connell-Diaz to participate by phone.

13 Is there a motion to allow
14 Commissioner O'Connell-Diaz to participate by phone?

15 COMMISSIONER FORD: So moved.

16 CHAIRMAN SCOTT: Is there a second?

17 ACTING COMMISSIONER McCABE: Second.

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

19 All in favor say "aye."

20 (Chorus of ayes.)

21 Any opposed?

22 (No response.)

1 The vote is 4-0 and Commissioner
2 O'Connell-Diaz may participate by phone.

3 Before moving into the agenda,
4 according to Section 1700.10 of the Administrative
5 Code, this is the time we allow member of the public
6 to address the Commission. Members of the public
7 wishing to address the Commission must notify the
8 Chief Clerk's Office at least 24 hours prior to the
9 Commission meeting. According to the Chief Clerk's
10 Office, we have no requests to speak at today's Bench
11 Session.

12 Moving on to the Public Utility
13 agenda. We will begin with the approval of minutes
14 from our April 4th Bench Session. I understand
15 amendments have been forwarded.

16 Is there a motion to amend the
17 minutes?

18 COMMISSIONER FORD: So moved.

19 CHAIRMAN SCOTT: Is there a second?

20 ACTING COMMISSIONER McCABE: Second.

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

22 All in favor say "aye."

1 (Chorus of ayes.)

2 Any opposed?

3 (No response.)

4 The vote is 5-0 and the amendments are
5 adopted.

6 Is there a motion to approve the
7 April 4th minutes as amended?

8 ACTING COMMISSIONER McCABE: So moved.

9 CHAIRMAN SCOTT: Is there a second?

10 COMMISSIONER FORD: Second.

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

12 All in favor say "aye."

13 (Chorus of ayes.)

14 Any opposed?

15 (No response.)

16 The vote is 5-0 and the April 4th
17 Bench Session minutes as amended are approved.

18 Up next is the approval of the minutes
19 from our April 10th Regular Open Meeting. I
20 understand amendments have been forwarded.

21 Is there a motion to amend the
22 minutes?

1 COMMISSIONER FORD: So moved.

2 CHAIRMAN SCOTT: Is there a second?

3 ACTING COMMISSIONER McCABE: Second.

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

5 All in favor say "aye."

6 (Chorus of ayes.)

7 Any opposed?

8 (No response.)

9 The vote is 5-0 and the amendments are
10 adopted.

11 Is there a motion to approve the April
12 10th Regular Open Meeting minutes as amended?

13 ACTING COMMISSIONER McCABE: So moved.

14 CHAIRMAN SCOTT: Is there a second?

15 COMMISSIONER FORD: Second.

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

17 All in favor say "aye."

18 (Chorus of ayes.)

19 Any opposed?

20 (No response.)

21 The vote is 5-0 and the April 10th
22 Regular Open Meeting minutes as amended are approved.

1 And last up is the approval of the
2 April 10th Emergency Special Open Meeting.

3 Is there a motion to approve the
4 minutes?

5 COMMISSIONER FORD: So moved.

6 CHAIRMAN SCOTT: Is there a second?

7 ACTING COMMISSIONER McCABE: Second.

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

9 All in favor say "aye."

10 (Chorus of ayes.)

11 Any opposed?

12 (No response.)

13 The vote is 5-0 and the April 10th
14 Emergency Special Open Meeting minutes are approved.

15 Turning to the Electric portion of
16 today's agenda.

17 Item E-1 concerns the adoption of a
18 methodology for calculating the solar resource
19 expense exclusion from retail electric suppliers'
20 renewable energy resource standard alternative
21 compliance payments. Staff recommends entry of an
22 Order adopting the methodology outlined in the Staff

1 Report.

2 Is there any discussion?

3 (No response.)

4 Is there a motion to enter the Order?

5 COMMISSIONER FORD: So moved.

6 CHAIRMAN SCOTT: Is there a second?

7 ACTING COMMISSIONER McCABE: Second.

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

9 All in favor say "aye."

10 (Chorus of ayes.)

11 Any opposed?

12 (No response.)

13 The voted is 5-0 and the Order is
14 entered. We will use this 5-0 vote for the remainder
15 of the Public Utility agenda unless otherwise noted.

16 Item E-2 concerns initiating a
17 proceeding regarding ComEd's annual formula rate
18 update and revenue requirement reconciliation. Staff
19 recommends entry of an Order initiating the
20 proceeding.

21 Is there any discussion?

22 (No response.)

1 Any objections?

2 (No response.)

3 Hearing none, the Initiating Order is
4 entered.

5 Items E-3 through E-5 can be taken
6 together. These items concern proposed tariff
7 changes by Ameren and ComEd. In each case Staff
8 recommends the Commission grant the Company's request
9 by not suspending the filings.

10 Is there any discussion?

11 (No response.)

12 Any objections?

13 (No response.)

14 Hearing none, the filings will not be
15 suspended.

16 Item E-6 is Docket No. 10-0698. This
17 is Robert Spehn's complaint regarding estimated
18 billing against ComEd. ALJ Baker recommends entry of
19 and Order granting the Company's Motion to Dismiss
20 the complaint. I have some revisions on this item
21 that have been forwarded. My revisions maintain the
22 conclusion of granting the Motion to Dismiss, but

1 help to clarify the grounds for granting the motion.

2 In addition to those substantive
3 revisions, these revisions also include a series of
4 nonsubstantive edits to the Order. I know we've
5 gotten input from each of the Commission's offices on
6 these revisions, so this has been a collaborative
7 effort, which I really appreciate.

8 So I would move for the adoption of
9 these revisions.

10 COMMISSIONER FORD: So moved.

11 ACTING COMMISSIONER McCABE: Second.

12 CHAIRMAN SCOTT: Is there a discussion on these
13 revisions?

14 (No response.)

15 It's been moved and seconded.

16 All in favor say "aye."

17 (Chorus of ayes.)

18 Any opposed?

19 (No response.)

20 The vote is 5-0 and the revisions are
21 adopted.

22 Is there further discussion on this

1 matter?

2 (No response.)

3 If not, I would move to adopt the
4 Order as revised.

5 Is there a second?

6 COMMISSIONER FORD: Second.

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

8 All in favor say "aye."

9 (Chorus of ayes.)

10 Any opposed?

11 (No response.)

12 The voted is 5-0 and the Order as
13 revised is adopted.

14 Item E-7 is Docket No. 11-0144. This
15 is Peter Fletcher's complaint against ComEd. As we
16 had indicated in our March 7th Bench Session, we will
17 be folding this item into a larger investigation on
18 these matters, so we will be holding this item for
19 now.

20 Item E-8 is Docket No. 11-0614. This
21 is Ken Patel's complaint against MidAmerican. We had
22 originally entered an Order in the matter on April

1 4th and ALJ Riley recommends entry of an Amendatory
2 Order making a change to the last ordering paragraph.

3 Is there any discussion?

4 (No response.)

5 Any objections?

6 (No response.)

7 Hearing none, the Amendatory Order is
8 entered.

9 Items E-9 through E-15 can be taken
10 together. These are customer complaints against
11 ComEd, and one against RealGY. In each case the
12 parties have apparently settled their differences and
13 have brought a Joint Motion to Dismiss, which the ALJ
14 recommends we grant.

15 Is there any discussion?

16 (No response.)

17 Any objections?

18 (No response.)

19 Hearing none, the Joint Motions to
20 Dismiss are granted.

21 Item E-16 is Docket No. 12-0092. This
22 is 220 Energy's application for licensure as an Agent

1 Broker and Consultant under Section 16-115C of the
2 Public Utilities Act. ALJ Yoder recommends entry of
3 an Order granting the requested certificate.

4 Is there any discussion?

5 (No response.)

6 Any objections?

7 (No response.)

8 Hearing none, the Order is entered.

9 Items E-17 and E-18 can be taken
10 together. These items are applications for licensure
11 as an alternative retail electric supplier. In each
12 case the ALJ recommends entry of an Order granting
13 the 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 E-19 is Docket No. 12-0217. This
20 is Santana Energy Services' application for licensure
21 as an alternative retail electric supplier and for
22 confidential treatment of items related to its

1 application. After a Proposed Order was issued
2 denying the certificate, the Company filed a Motion
3 to Withdraw its application and ALJ Albers recommends
4 entry of an Order dismissing the application without
5 prejudice and granting the requested protective
6 agreement.

7 Is there any discussion?

8 (No response.)

9 Any objections?

10 (No response.)

11 Hearing none, the Order is entered.

12 Items E-20 and E-21 can be taken
13 together. These items are petitions for a withdrawal
14 of previously issued Certificates of Service
15 Authority. In each case ALJ Baker recommends entry
16 of an Order granting the certificate withdrawal.

17 Is there any discussion?

18 (No response.)

19 Any objections?

20 (No response.)

21 Hearing none, the Orders are entered.

22 Items E-22 and E-23 can be taken

1 together. These items are petitions for confidential
2 and/or proprietary treatment of the petitioner's
3 reports. In each case ALJ Haynes recommends entry of
4 an Order granting the requested treatment.

5 Is there any discussion?

6 (No response.)

7 Any objections?

8 (No response.)

9 Hearing none, the Orders are entered.

10 Item E-24 is Docket No. 12-0263. This
11 is a Joint Petition for the approval of a commercial
12 customer release brought by Ameren and Southern
13 Illinois Electric Cooperative for their Southern
14 Illinois stone quarry. ALJ Von Qualen recommends
15 entry of an Order granting the customer release
16 petition.

17 Is there any discussion?

18 (No response.)

19 Any objections?

20 (No response.)

21 Hearing none, the Order is entered.

22 Item E-25 is Docket No. 12-0266. This

1 is SIMEC's petition for the confidential treatment of
2 its Annual Recertification Report. ALJ Von Qualen
3 recommends entry of an Order granting the requested
4 protective treatment.

5 Is there any discussion?

6 (No response.)

7 Any objections?

8 (No response.)

9 Hearing none, the Order is entered.

10 Turning now to Natural Gas.

11 Item G-1 concerns initiating the
12 citation proceeding against the Village of Tamms in
13 connection with the alleged violation of federal
14 safety standards for natural gas transportation.
15 Staff recommends entry of an Order initiating the
16 citation proceeding.

17 Is there any discussion?

18 (No response.)

19 Any objections?

20 (No response.)

21 Hearing none, the Initiating Order is
22 entered.

1 Item G-2 is Docket No. 10-0689. This
2 is MidAmerican's reconciliation case for revenues
3 collected under gas adjustment charges. ALJ Hilliard
4 recommends entry of an Order approving the
5 reconciliation.

6 Is there any discussion?

7 (No response.)

8 Any objections?

9 Hearing none, the Order is entered.

10 Items G-3 and G-4 can be taken
11 together. These items are petitions for the
12 confidential and/or proprietary treatment of the
13 petitioner's filings. In each case ALJ Baker
14 recommends entry of an Order granting the requested
15 relief.

16 Is there any discussion?

17 (No response.)

18 Any objections?

19 (No response.)

20 Hearing none, the Orders are entered.

21 Moving on to Telecommunications.

22 Item T-1 is Docket No. 10-0379. This

1 is IQ Telecom's application for designation as an
2 eligible telecommunications carrier. ALJ Riley
3 recommends entry of an Order dismissing this
4 proceeding without prejudice.

5 Is there any discussion?

6 (No response.)

7 Any objections?

8 (No response.)

9 Hearing none, the Order is entered.

10 Item T-2 is Docket No. 10-0214. This
11 is a joint application filed by Telecom Management
12 Group and Uni-Tel Communications Group seeking a
13 Certificate of Service Authority for Telecom and a
14 cancelation of a certificate for Uni-Tel. ALJ Baker
15 recommends entry of an Order granting both the
16 requested certificate and the requested cancelation.

17 Is there any discussion?

18 (No response.)

19 Any objections?

20 (No response.)

21 Hearing none, the Order is entered.

22 Item T-3 is Docket No. 12-0230. This

1 is Lycamobile USA's application for a Certificate of
2 Wireless Authority to provide resold prepaid
3 commercial radio service in Illinois. ALJ Riley
4 recommends entry of an Order granting the requested
5 certificate.

6 Is there any discussion?

7 (No response.)

8 Any objections?

9 Hearing none, the Order is entered.

10 Items T-4 through T-8 can be taken
11 together. These items concern petitions seeking the
12 withdrawal or cancelation of previously granted
13 Certificates of Service Authority. In each case ALJ
14 Baker recommends entry of an Order granting
15 withdrawal or cancelation of the certificates.

16 Is there any discussion?

17 (No response.)

18 Any objections?

19 (No response.)

20 Hearing none, the Orders are entered.

21 Items T-9 through T-20 can be taken
22 together. These items concern petitions for the

1 confidential and/or proprietary treatment of the
2 petitioner's annual reports. In each case the ALJ
3 recommends entry of an Order granting protective
4 treatment.

5 Is there any discussion?

6 (No response.)

7 Any objections?

8 (No response.)

9 Hearing none, the orders are entered.

10 Item T-21 is Docket No. 12-0242. This
11 is Illinois Telecommunication Access Corporation's
12 petition for modified line charges and assessment
13 determinations pursuant to Title 83, Section 755.500
14 of the Administrative Code. ALJ Riley recommends
15 entry of an Order granting the requested relief.

16 Is there any discussion?

17 (No response.)

18 Any objections?

19 (No response.)

20 Hearing none, the Order is entered.

21 On to Water and Sewer.

22 Item W-1 is Docket Nos. 11-0059,

1 11-0141 and 11-0142 consolidated. This is the rate
2 case for Great Northern Utilities, Camelot Utilities,
3 and Lake Holiday Utilities Corporation. This matter
4 has been on rehearing since December and before us
5 today is an oral argument request brought by Camelot
6 Utilities and an Order on rehearing approving the
7 rate mitigation plan. ALJ Teague recommends granting
8 the oral argument request and entering the Order on
9 rehearing. We'll start first with the oral argument.

10 Is there any discussion on the oral
11 argument request?

12 (No response.)

13 I will move to deny the oral argument
14 request.

15 Is there a second?

16 COMMISSIONER FORD: Second.

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

18 All in favor say "aye."

19 (Chorus of ayes.)

20 Any opposed?

21 (No response.)

22 The vote is 5-0 and Camelot's oral

1 argument request is denied.

2 Now on to the Order on Rehearing. I
3 believe we have some revisions from Commissioner
4 McCabe.

5 Commissioner.

6 ACTING COMMISSIONER McCABE: Yes.

7 Commissioner O'Connell-Diaz and I are
8 jointly sponsoring an edit that changes the
9 conclusion from the mandatory participation in the
10 phase-in plan to the Staff's proposed voluntary
11 opt-in approach. This will allow customers to either
12 remain with their current rates or choose to
13 participate in phasing in the rate increase over a
14 six-year period plus incurring cost for that approach.
15 Customers should have the ability to decide how they
16 wish to do their utility financing.

17 Commissioner O'Connell-Diaz, anything
18 you wish to add?

19 COMMISSIONER O'CONNELL-DIAZ: Yes.

20 Thank you very much, Commissioner
21 McCabe for your work on this. I also thank Judge
22 Teague. She gave us an excellent Order except for

1 this one part that, obviously, I have trouble with.
2 I think our edits provide flexibility for each of the
3 ratepayers to determine how they would like to either
4 finance this, get on the mitigation plan or not.
5 That is a home decision I think that is made.

6 Additionally I was most concerned with
7 anyone being forced into any type of program such as
8 this. I think this goes to the individual
9 ratepayers' choice, so I do appreciate and support
10 and look to our colleagues for support with regard to
11 these revisions.

12 CHAIRMAN SCOTT: Is there further discussion on
13 the proposed revisions?

14 Commissioner McCabe, did you want to
15 make a motion for the adoption of the revisions?

16 ACTING COMMISSIONER McCABE: So moved.

17 CHAIRMAN SCOTT: Is there a second?

18 COMMISSIONER FORD: Second.

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

20 All in favor say "aye."

21 (Chorus of ayes.)

22 Any opposed?

1 (No response.)

2 The vote is 5-0 and the opt-in
3 revisions are adopted.

4 Is there any further discussion --

5 CHAIRMAN COLGAN: Chairman, if I can just make
6 a comment about this?

7 CHAIRMAN SCOTT: Sure.

8 CHAIRMAN COLGAN: This was a rate case that
9 came to us and I think we were all in agreement that
10 the Company had made its case for the rate increase
11 that they got, but we all were concerned that the
12 rate increase was really high. But we didn't see
13 anything in the record about rate mitigation, and so
14 I know that I encouraged all of us to push for the
15 parties to request rehearing on this. And I'm just
16 glad that we were able to come through with something
17 that is a rate mitigation plan for the consumers in
18 this case. And I think that that's kind of an
19 ongoing issue, especially with the smaller water
20 companies that come before us.

21 So I'm glad that they were able to do
22 something to try and mitigate -- they'll still have

1 to pay the rate increase, but it will give them time
2 to phase that into their budgets and hopefully that's
3 helpful.

4 CHAIRMAN SCOTT: Very good.

5 COMMISSIONER O'CONNELL-DIAZ: Mr. Chairman.

6 CHAIRMAN SCOTT: Yes, Commissioner.

7 COMMISSIONER O'CONNELL-DIAZ: I totally agree
8 with what Commissioner Colgan has noted. I
9 additionally would go to the overriding problem that
10 we saw in this Order was that a company had stayed
11 out for a rate increase for 20 some-odd years. We
12 certainly encourage our utilities to -- we don't like
13 to see rate increases, but we understand that that's
14 part of the position of service. When a company
15 stays out this length of time, then you have these
16 really, really large increases which are difficult on
17 any day.

18 So I think that the mitigation plan
19 gives an opportunity to smooth that out a bit, make
20 it a little easier; but the pivotal issue, as I see
21 it, is they stayed out for so many years. And while
22 we can't Order our companies in, we encourage them

1 when they do need to have their rates looked at
2 again, that they come in sooner than later.

3 CHAIRMAN SCOTT: Thank you.

4 CHAIRMAN COLGAN: Just one last comment.

5 CHAIRMAN SCOTT: Sure.

6 COMMISSIONER COLGAN: I have a little bit of a
7 concern that the customers may not understand that
8 they have an option that they can exercise in this
9 case. So I hope that we do our due diligence to make
10 sure that the customers of these companies get good
11 notice that there are those options that are
12 available.

13 CHAIRMAN SCOTT: That's a good point.

14 Any further discussion?

15 (No response.)

16 Is there a motion to enter the Order
17 as revised?

18 COMMISSIONER FORD: So moved.

19 CHAIRMAN SCOTT: Is there a second?

20 ACTING COMMISSIONER McCABE: Second.

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

22 All in favor say "aye."

1 (Chorus of ayes.)

2 Any opposed?

3 (No response.)

4 The vote is 5-0 and the Order as
5 revised is adopted.

6 On behalf of the Commission, I would
7 like to thank ALJ Teague and the parties for their
8 hard work on this. I know it's been a long and
9 difficult process and we deeply appreciate all the
10 time and effort that went into it.

11 So thank you.

12 Item G-2 is Docket No. 11-0194. This
13 is Illinois-American Water Company's petition for an
14 overall encompassing certificate of convenience and
15 necessity to both combined existing certificates and
16 service areas and to extend its services into an
17 expanded area. ALJ Jones recommends entry of an
18 Order granting the requested certificate and related
19 relief.

20 Is there any discussion?

21 (No response.)

22 Any objections?

1 (No response.)

2 Hearing none, the Order is entered.

3 We have four additional procurement
4 related items to address as other business today.
5 We'll take the first two together. The first two
6 items concern the approval of the results for the
7 recent Ameren and ComEd Electric Energy Products
8 Procurements. Staff and the procurement monitor
9 recommend approving the procurement event results.

10 Is there any discussion?

11 (No response.)

12 Are there any objections to approving
13 the procurement results?

14 (No response.)

15 Hearing none, the Ameren and ComEd
16 electric energy procurement results are approved.

17 And last up is approval of price
18 benchmarks for the upcoming May 2012 ComEd and Ameren
19 renewable energy credit procurement events. Staff,
20 the procurement administrator, and the procurement
21 monitor all recommend approving the proposed
22 benchmarks.

1 Is there any discussion?

2 (No response.)

3 Are there any objections to approving
4 the requested benchmarks?

5 (No response.)

6 Hearing none, the benchmarks are
7 approved.

8 Judge Wallace, is there any other
9 matters to come before the Commission today?

10 JUDGE WALLACE: I believe that's it, sir.

11 CHAIRMAN SCOTT: Thank you, sir.

12 Hearing none, this meeting stands
13 adjourned.

14 Thank you everyone.

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