

1 PROCEEDINGS

2 CHAIRMAN SCOTT: Pursuant to the provisions of
3 the Open Meetings Act, I now convene a regularly
4 scheduled Bench Session of the Illinois Commerce
5 Commission. With me in Springfield is Commissioner
6 Colgan, Commissioner McCabe, Acting Commissioner del
7 Valle and Acting Commissioner Maye. I am Chairman
8 Scott. We have a quorum.

9 Before moving into the agenda,
10 according to Section 1700.10 of Title 2 of the
11 Administrative Code, this is the time we allow
12 members of the public to address the Commission.
13 Members of the public wishing to address the
14 Commission must notify the Chief Clerk's Office at
15 least 24 hours prior to Commission meetings.
16 According to the Chief Clerk's Office we have no
17 requests to speak at today's Bench Session.

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

1 CHAIRMAN SCOTT: Moving now to the
2 Public Utility agenda, we will begin with the
3 Electric portion.

4 Item E-1 concerns our investigation
5 into customer refunds made under invalidated ComEd
6 Riders AMT and AMTCA. Staff recommends entry of an
7 Order initiating the investigation. This item will
8 be held for disposition at a future Commission
9 proceeding.

10 Item E-2 is Docket Number 11-0571.
11 This is Jason Freeman's complaint against ComEd
12 regarding billing charges. ALJ Teague recommends
13 entry of an Order denying the complaint.

14 Is there any discussion?

15 (No response.)

16 Is there a motion to enter the Order?

17 COMMISSIONER McCABE: So moved.

18 CHAIRMAN SCOTT: Is there a second?

19 ACTING COMMISSIONER MAYE: Second.

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

21 Is there any further discussion?

22 (No response.)

1 All in favor say aye.

2 COMMISSIONERS: Aye.

3 CHAIRMAN SCOTT: Any opposed?

4 (No response.)

5 The vote is five to nothing, and the
6 Order is entered and the complaint is denied.

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

10 Item E-3 is Docket Number 12-0590.
11 This is ComEd's petition for the expedited approval
12 of modifications to its Rate GAP - Government
13 Aggregation Protocol, tariff. ALJ Haynes recommends
14 entry of an Order dismissing the proceeding.

15 Is there any discussion?

16 (No response.)

17 Are there any objections?

18 (No response.)

19 Hearing none, the Order is granted,
20 and the proceeding is dismissed.

21 Item E-4 is Docket Number 13-0034.

22 This is Phase 2 of the FutureGen Clean Coal Project

1 and Sourcing Agreement arising out of the
2 Commission's Order in the recent power procurement
3 plan proceeding. This item will be held to the end
4 of today's Public Utility agenda.

5 Item E-5 is Docket Number 13-0080.
6 This is our emergency rulemaking proceeding for Title
7 83, Part 281 of the Administrative Code regarding
8 military service member disconnection rules. Given
9 the second notice period is now ended, ALJ Wallace
10 recommends entry of an Order adopting the proposed
11 rules with an effective date of July 1, 2013.

12 Is there any discussion?

13 (No response.)

14 Any objections?

15 (No response.)

16 Hearing none, the Order is entered,
17 and the proposed rules are adopted.

18 Items E-6 and E-7 (13-0147, 13-0148)
19 can be taken together. These items are petitions for
20 the confidential and/or proprietary treatment of
21 petitioners' compliance reports. In each case ALJ
22 Teague recommends entry of an Order granting the

1 requested protective treatment.

2 Is there any discussion?

3 (No response.)

4 Any objections?

5 (No response.)

6 Hearing none, the Orders are entered.

7 Item E-8 is Docket Number 13-0276.

8 This is ComEd's petition for the confidential
9 treatment of portions of its annual AMI
10 Implementation Report. ALJ Sainsot and Kimbrel
11 recommend entry of an Order denying the petition and
12 encouraging ComEd to refile its petition with
13 additional information to justify the requested
14 confidential treatment.

15 Is there any discussion?

16 (No response.)

17 Is there any objection?

18 (No response.)

19 Hearing none, the Order is entered,
20 and petition is denied.

21 Item E-9 is Docket Number 13-0285.

22 This is our investigation regarding ComEd's 2013

1 Smart Grid Annual Implementation and Progress Report.
2 ALJs Sainsot and Kimbrel recommend entry of an Order
3 approving ComEd's AMI plan. Edits have been proposed
4 by Commissioner McCabe's office.

5 Commissioner McCabe?

6 COMMISSIONER McCABE: Yes. We are making edits
7 to two sections that don't change the conclusions,
8 just the surrounding rationale. I move for their
9 adoption.

10 CHAIRMAN SCOTT: Okay. I appreciate you
11 including our pending amendment to that as well.

12 It's been moved to adopt the
13 revisions. Is there a second?

14 COMMISSIONER COLGAN: Second.

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

16 Is there any discussion on the
17 revisions?

18 (No response.)

19 All in favor say aye.

20 COMMISSIONERS: Aye.

21 CHAIRMAN SCOTT: Any opposed?

22 (No response.)

1 CHAIRMAN SCOTT: The vote is five to nothing,
2 and the revisions are approved.

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

5 COMMISSIONER COLGAN: So moved.

6 CHAIRMAN SCOTT: Is there a second?

7 ACTING COMMISSIONER DEL VALLE: Second.

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

9 Any further discussion?

10 (No response.)

11 All in favor say aye.

12 COMMISSIONERS: Aye.

13 CHAIRMAN SCOTT: Any opposed?

14 (No response.)

15 The vote is five to nothing, and the
16 Order as amended is entered.

17 Item E-10 is Docket Number 13-0339.

18 This is ComEd's petition seeking approval of specific
19 housekeeping and technical corrections to its
20 delivery services rate formula. ALJ Jorgenson
21 recommends entry of an Order granting the petition.

22 Is there any discussion?

1 (No response.)

2 Any objections?

3 (No response.)

4 Hearing none, the Order is entered.

5 Turning now to Natural Gas, Item G-1
6 is Docket Number 12-0357. This is C. John Mann's
7 complaint against Ameren Illinois Company as to
8 billing charges. ALJ Von Qualen recommends entry of
9 an Order denying the complaint. My office proposed
10 some edits to this Order that don't change the
11 conclusion or the underlying rationale, just made
12 some cosmetic changes to the wording, the verbiage,
13 involved there, and I would move for the adoption of
14 these revisions.

15 COMMISSIONER COLGAN: Second.

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

17 Is there any discussion on the
18 revisions?

19 (No response.)

20 All in favor of the revisions vote
21 aye.

22 COMMISSIONERS: Aye.

1 minimum safety standards. ALJ Jones recommends entry
2 of an Order approving a stipulation between Ameren
3 and Staff.

4 Is there any discussion?

5 (No response.)

6 Any objections?

7 (No response.)

8 Hearing none, the Order is entered,
9 and the stipulation is approved.

10 Item G-3 is Docket Number 13-0369.

11 This is EMEX Power, LLC's, application for a
12 Certificate of Service Authority under Section 19-110
13 of the Public Utilities Act to operate as an
14 alternative gas supplier. EMEX has filed a motion to
15 withdraw its application which ALJ Von Qualen
16 recommends we grant.

17 Is there any discussion?

18 (No response.)

19 Any objections?

20 (No response.)

21 Hearing none, the motion is granted.

22 Item G-4 is Docket Number 12-0569.

1 This is Nicor Gas' proposed establishment of Rider
2 17, Purchase of Receivables for Consolidated Billing.
3 RESA and IGS have requested oral argument. The
4 proceeding was initiated pursuant to Section 9-201 of
5 the Public Utilities Act. Thus, we are obligated to
6 grant RESA and IGS' request. We will send a notice
7 to the parties with a date for the oral argument and
8 the issues to be considered.

9 Moving on to Telecommunications, Item
10 T-1 is Docket Number 12-0550. This is Sprint's
11 petition for arbitration pursuant to Section 252(b)
12 of the Telecommunications Act, and before us today is
13 a proposed Arbitration Order.

14 Is there any discussion?

15 (No response.)

16 Is there any objection?

17 (No response.)

18 Hearing none, the Arbitration Order is
19 entered.

20 Item T-2 is Docket Number 13-0251.

21 This is Grafton Telephone Company and US Cellular
22 Operating Company of Chicago's joint petition seeking

1 approval of an amendment to an existing
2 interconnection agreement. ALJ Baker recommends
3 entry of an Order approving the amendment.

4 Is there any discussion?

5 (No response.)

6 Any objections?

7 (No response.)

8 Hearing none, the Order is entered.

9 Item T-3 is Docket Number 11-0225.

10 This is our citation of Brian Esterman for failure to
11 file an Annual Report. Because the respondent has
12 now filed the required report, Staff and the Chief
13 Clerk recommend entry of an Order reopening the
14 proceeding and then dismissing the proceeding.

15 Is there any discussion?

16 (No response.)

17 Any objections?

18 (No response.)

19 Hearing none, the Order is entered.

20 The record is reopened, and the proceeding is
21 dismissed.

22 Item T-4 is Docket Number 12-0479.

1 This is our rulemaking proceeding for Title 83, Part
2 757 of the Administrative Code amending the rules
3 applicable to the telephone assistance program. ALJ
4 Riley recommends entry of an Order adopting the
5 proposed amendments.

6 Is there any discussion?

7 (No response.)

8 Any objections?

9 (No response.)

10 Hearing none, the Order is entered,
11 and the amendments are adopted.

12 Item T-5 is Docket Number 13-0288
13 which is ExteNet System's petition for the
14 confidential and/or proprietary treatment of its
15 Annual Report. ALJ Von Qualen recommends entry of an
16 Order granting the requested relief for a period of
17 two years.

18 Is there any discussion?

19 (No response.)

20 Any objections?

21 (No response.)

22 Hearing none, the Order is entered.

1 We have one miscellaneous item on the
2 agenda today which concerns our proposed rulemaking
3 to adopt proposed amendments to 83 Illinois Code 285
4 which are the standard information requirements for
5 public utilities/telecommunication carriers in filing
6 for an increase in rates. Staff recommends entry of
7 an Order initiating the proceeding and authorizing
8 the first notice period.

9 Is there any discussion?

10 I appreciate that Staff suggested in
11 this case information be provided electronically. I
12 think that's a very good one in this day and age.
13 That's the right choice environmentally. It will cut
14 down on rate costs as well, so it is a good choice
15 for the ratepayers. Because it's cutting down costs
16 of printing and storage and other things that are
17 probably unnecessary in today's day and age, and so
18 it is helpful on a lot of fronts. So I appreciate
19 Staff's suggestion there.

20 Are there any objections?

21 (No response.)

22 Hearing none, the Order is entered.

1 We have three petitions for rehearing
2 to consider today. PR-1 is Docket Numbers 01-0705,
3 02-0067 and 02-0725 Consolidated. This is Nicor's
4 petition for rehearing and for a stay of a portion of
5 the Commission's decision, specifically on the issue
6 of delivered service storage capacity withdrawals.
7 ALJs Dolan and Haynes recommend entry of an Order
8 denying both the petition for rehearing and for stay.

9 Is there any discussion?

10 (No response.)

11 Any objections?

12 (No response.)

13 Hearing none, the Order is granted,
14 and the request for rehearing and stay are denied.

15 Item PR-2 is Docket Number 11-0588.
16 This is ComEd's petition for rehearing regarding the
17 applicability of Section 16-125(e) liability to
18 events caused by the summer of 2011 storm systems
19 pursuant to Section 16-125 of the Public Utilities
20 Act. ALJ Dolan recommends that the application for
21 rehearing be denied.

22 Is there any discussion?

1 (No response.)

2 Any objections?

3 (No response.)

4 Hearing none, the request for
5 rehearing is denied.

6 Item PR-3 is Docket Number 11-0662.
7 This is ComEd's petition for rehearing regarding
8 applicability of Section 16-125(e) liability to
9 events caused by February 1, 2011, storm systems
10 pursuant to Section 16-125 of the Public Utilities
11 Act. ALJ Dolan recommends that the application for
12 rehearing be denied.

13 Is there any discussion?

14 (No response.)

15 Any objections?

16 (No response.)

17 Hearing none, the request for
18 rehearing is denied.

19 We have three other items of business
20 today. The first item concerns the Commission's
21 approval of the proposed benchmarks for the FutureGen
22 Clean Coal Project. This item concerns a

1 confidential filing, so any discussion of the
2 benchmark should be limited to information that is
3 public.

4 Is there any discussion?

5 (No response.)

6 Are there any objections?

7 COMMISSIONER McCABE: Yes. I am voting against
8 the benchmark. In December of last year I voted
9 against the amendment to include FutureGen into the
10 IPA procurement plan, given the impact on ratepayers.
11 In this case it does not appear that the outside
12 consultant retained by Illinois Power Agency engaged
13 in any significant analysis of its own in developing
14 the benchmarks. Rather, the consultant set out
15 benchmarks that merely restate FutureGen's own
16 numbers.

17 While it is certainly difficult to
18 have precise numbers for a project like this, I
19 cannot support benchmarks that will cost ratepayers
20 about ten times the going rate of current electricity
21 even after all federal subsidies are applied.

22 CHAIRMAN SCOTT: Since there is an objection,

1 we need a motion to approve the benchmark then. Is
2 there a motion?

3 COMMISSIONER COLGAN: So moved.

4 CHAIRMAN SCOTT: Is there a second?

5 COMMISSIONER DEL VALLE: Second.

6 CHAIRMAN SCOTT: It's been moved and seconded
7 to approve the benchmark.

8 Any further discussion?

9 (No response.)

10 All in favor of approving the
11 benchmark vote aye.

12 COMMISSIONERS: Aye.

13 CHAIRMAN SCOTT: Opposed?

14 COMMISSIONER McCABE: No.

15 CHAIRMAN SCOTT: The vote is four to one, and
16 the benchmarks are approved.

17 The second item of other business
18 today is our review of the Annual Report on cable and
19 video service deployment by providers granted
20 state-issued cable and video service authorization.

21 Any discussion of the report?

22 (No response.)

1 Any objections to accepting the
2 report?

3 (No response.)

4 Hearing none, the report is accepted.

5 The third item of other business today
6 is a FERC item regarding comments on Section 203,
7 application of Ameren Energy Generating Company and
8 other Ameren entities seeking FERC approval for the
9 transfer of merchant generating assets to Dynegy.
10 This item has been worked out and has been withdrawn
11 from today's agenda.

12 Lastly, we will address Item E-4 which
13 was held earlier during this session. Item E-4 is
14 Docket Number 13-0034. This is Phase 2 of
15 FutureGen's Clean Coal Project and Sourcing Agreement
16 arising out of the Commission's Order in the recent
17 power procurement plan proceeding. Commissioner
18 Colgan and I have some edits to propose.

19 Commissioner Colgan?

20 COMMISSIONER COLGAN: Thank you, Chairman. The
21 General Assembly established in the IPA Act that it
22 is the goal of the State of Illinois that by January

1 1, 2025, 25 percent of the electricity used in this
2 state shall be generated by cost-effective clean coal
3 facilities.

4 In furtherance of that goal, in
5 December the Commission entered an Order approving
6 the procurement plan which included the FutureGen 2
7 project, and in my opinion the FutureGen 2 project is
8 a significant first step in attaining this very
9 important goal for the state of Illinois.

10 Because certain issues were unresolved
11 at that time, the Commission initiated the current
12 docket to address the outstanding issues regarding
13 FutureGen's sourcing agreement. And, in fact, the
14 Commission was quite specific in both the Procurement
15 Order and in the Initiating Order in this docket when
16 it stated that issues resolved in Phase 1 shall not
17 be litigated in Phase 2 of this process.

18 With these objectives in mind, I am
19 proposing amendments today to the Commission's
20 Analysis and Conclusions sections under both the
21 Benchmarks and the Levelized Fixed Carrying Charge
22 Rate. My edits to the Benchmarks section refer to

1 the determination just made by the Commission
2 regarding the FutureGen benchmark, and direct ComEd
3 and Ameren to sign the sourcing agreement within 60
4 days.

5 And, Mr. Chairman, I understand that
6 you have additional edits to this section regarding
7 the benchmark confidentiality.

8 CHAIRMAN SCOTT: Yes. On the benchmark
9 confidentiality there was a lot of discussion about
10 that particular issue, and the amendments that I am
11 suggesting rewrite the last paragraph of that section
12 appreciating the arguments that have been put forth
13 by all the parties but distinguishing confidentiality
14 in this type of procurement from confidentiality in
15 the other types of procurements that we deal with
16 which have a specific confidentiality requirement
17 that is actually set forth in the statute.

18 So without having that, the Commission
19 believes, according to the revision, that the
20 interest of transparency compels disclosure of the
21 benchmark and the underlying methodology. However,
22 in so doing that, we also recognize that there may be

1 particular pieces of information in the benchmark
2 methodology that warrant the protection of
3 confidentiality. So these revisions would give the
4 parties an opportunity, upon completion of the
5 signing of the sourcing agreement, a period of time
6 in which they may petition the Commission and ask
7 that certain items be made confidential, reiterating
8 what Commissioner Colgan said, that the scope of this
9 filing is limited only to issues of confidentiality.
10 Now, we are not re-litigating the benchmarks in any
11 such filing that would come before us.

12 And those are the revisions to that
13 portion, I believe. You have some on Levelized Fixed
14 Carrying Charges, I believe.

15 COMMISSIONER COLGAN: Right. Yeah, my edits to
16 the LFCCR section change the methodology used for the
17 LFCCR and adopt FutureGen's position that the
18 approved ten percent return on equity is a nominal
19 rate.

20 It is indisputable that in the final
21 2013 Procurement Order the Commission expressly
22 considered and approved certain elements to be used

1 to calculate the LFCCR as proposed by FutureGen,
2 namely the ten percent annual return on common equity
3 and the 55/45 debt to equity capital structure.

4 My proposed edits affirm these prior
5 decisions and provide FutureGen with an annual fixed
6 project payment sufficient to attract the capital
7 necessary for the construction and operation of the
8 FutureGen project.

9 While the Commission has previously
10 approved the FutureGen project in the procurement
11 plan, I believe the Commission must now allow the
12 project to succeed. So, Mr. Chairman and
13 Commissioners, along with your proposed edits I
14 request support for these joint edits and move that
15 they be approved.

16 CHAIRMAN SCOTT: Is there a second?

17 ACTING COMMISSIONER DEL VALLE: Second.

18 CHAIRMAN SCOTT: The joint edits have been
19 moved and seconded.

20 Discussion on the edits themselves?

21 (No response.)

22 All in favor of the edits vote aye.

1 COMMISSIONERS: Aye.

2 CHAIRMAN SCOTT: Any opposed?

3 COMMISSIONER McCABE: No.

4 CHAIRMAN SCOTT: The vote is four to one, and
5 the edits are adopted.

6 Is there now a motion to enter the
7 Order as amended?

8 COMMISSIONER COLGAN: So moved.

9 CHAIRMAN SCOTT: Is there a second?

10 ACTING COMMISSIONER DEL VALLE: Second.

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

12 Any discussion on the Order as
13 amended?

14 (No response.)

15 All in favor say aye.

16 COMMISSIONERS: Aye.

17 CHAIRMAN SCOTT: Any opposed?

18 COMMISSIONER McCABE: No.

19 CHAIRMAN SCOTT: The vote is four to one, and
20 the Order as amended is adopted.

21 Judge Wallace, are there any other
22 matters to come before the Commission today?

1 JUDGE WALLACE: No, that's all there is,
2 Mr. Chairman.

3 CHAIRMAN SCOTT: Thank you very much, sir.

4 That being the case, nothing further
5 to come before the body, this meeting stands
6 adjourned. Thank you, everyone.

7 BENCH SESSION CONCLUDED

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