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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 us in Springfield are Commissioner Colgan and Acting Commissioner del Valle. With me in Chicago are Commissioner McCabe and Acting Commissioner Maye. I'm 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.

We'll now move to the Public Utility agenda. We'll begin with the approval of several sets of minutes. First, our August 6th Regular Open Meeting Minutes. I understand amendments have been forwarded.

Is there a motion to amend the

1 minutes?

2 ACTING COMMISSIONER MAYE: So moved.

3 CHAIRMAN SCOTT: Moved by
4 Commissioner Maye.

5 COMMISSIONER MCCABE: Second.

6 CHAIRMAN SCOTT: Second by
7 Commissioner McCabe.

8 All in favor of the amendments say
9 aye.

10 (Ayes heard.)

11 CHAIRMAN SCOTT: Any opposed?

12 (No response.)

13 CHAIRMAN SCOTT: Vote is 5-0. The
14 amendments are adopted.

15 Is there now a motion to approve the
16 August 6th Regular Open Meeting Minutes as
17 amended?

18 COMMISSIONER MCCABE: So moved.

19 CHAIRMAN SCOTT: Moved by
20 Commissioner McCabe.

21 Second?

22 ACTING COMMISSIONER MAYE: Second.

23 CHAIRMAN SCOTT: Second by
24 Commissioner Maye.

1 All in favor say aye.

2 (Ayes heard.)

3 CHAIRMAN SCOTT: Any opposed?

4 (No response.)

5 CHAIRMAN SCOTT: The ayes have it

6 5-0, and the August 6th Regular Open Meeting

7 Minutes as amended are adopted.

8 September 4th Regular Opening Meeting

9 Minutes are before you, and amendments have been
10 forwarded.

11 Is there a motion to amend those
12 minutes?

13 ACTING COMMISSIONER MAYE: So moved.

14 CHAIRMAN SCOTT: Moved by
15 Commissioner Maye.

16 Second?

17 ACTING COMMISSIONER DEL VALLE:
18 Second.

19 CHAIRMAN SCOTT: By Commissioner del
20 Valle.

21 All in favor of the amendments say
22 aye.

23 (Ayes heard.)

24 CHAIRMAN SCOTT: Any opposed?

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(No response.)

CHAIRMAN SCOTT: Vote is 5-0, and the amendments are adopted.

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

COMMISSIONER COLGAN: So moved.

CHAIRMAN SCOTT: Moved by Commissioner Colgan.

Second?

COMMISSIONER MCCABE: Second.

CHAIRMAN SCOTT: By Commissioner McCabe.

All in favor say aye.

(Ayes heard.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: Vote is 5-0, and the September 4th Regular Open Meeting Minutes as amended are adopted.

Finally, the September 18th Bench Session. Amendments have been forwarded.

Is there a motion to amend those minutes?

ACTING COMMISSIONER MAYE: So moved.

1 CHAIRMAN SCOTT: Moved by
2 Commissioner Maye.
3 Second?
4 COMMISSIONER MCCABE: Second.
5 CHAIRMAN SCOTT: Second by
6 Commissioner McCabe.
7 All in favor of the amendments vote
8 aye.
9 (Ayes heard.)
10 CHAIRMAN SCOTT: Any opposed?
11 (No response.)
12 CHAIRMAN SCOTT: Vote is 5-0, and the
13 amendments are adopted.
14 Is there now a motion to approve the
15 September 18th Bench Session Minutes as amended?
16 COMMISSIONER COLGAN: So moved.
17 CHAIRMAN SCOTT: Moved by
18 Commissioner Colgan.
19 Second?
20 ACTING COMMISSIONER DEL VALLE:
21 Second.
22 CHAIRMAN SCOTT: Second by
23 Commissioner del Valle.
24 All in favor say aye.

1 (Ayes heard.)

2 CHAIRMAN SCOTT: Any opposed?

3 (No response.)

4 CHAIRMAN SCOTT: The vote is 5-0, and
5 the September 18th Bench Session Minutes as
6 amended are approved.

7 Turning now to the Electric portion
8 of today's agenda, Item E-1 concerns proposed
9 emergency rules for the certification of
10 installers, maintainers, and repairers of
11 electric vehicle charging stations. This item
12 will be held for disposition at a future
13 Commission proceeding.

14 Item E-2 is our investigation into
15 customer refunds for payments made under
16 invalidated ComEd riders.

17 Is there any discussion?

18 (No response.)

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

21 COMMISSIONER MCCABE: So moved.

22 CHAIRMAN SCOTT: Moved by
23 Commissioner McCabe.

24 Is there a second?

1 COMMISSIONER COLGAN: Second.

2 CHAIRMAN SCOTT: Second by
3 Commissioner Colgan.

4 All in favor say aye.

5 (Ayes heard.)

6 CHAIRMAN SCOTT: Any opposed?

7 (No response.)

8 CHAIRMAN SCOTT: Vote is 5-0, and the
9 Order is entered.

10 We will use this 5-0 vote for the
11 remainder of today's Public Utility agenda unless
12 otherwise noted.

13 Item E-3 is ERM No. 13-057. This
14 item concerns ComEd's filing to revise its Rider
15 GAP, Governmental Aggregation Protocols, to
16 include townships as a "Government Authority."
17 Staff recommends that we approve the revision by
18 not suspending the filing.

19 Is there any discussion?

20 (No response.)

21 CHAIRMAN SCOTT: Any objections?

22 (No response.)

23 CHAIRMAN SCOTT: Hearing none, the
24 filing is not suspended.

1 Item E-4 is ERM No. 13-059. This
2 item concerns Ameren's filing to amend Rider HSS,
3 Hourly Supply Service, and Rider PER, Purchased
4 Electric Recovery, to accommodate changes to
5 accounting factors. Staff recommends that we
6 approve the amendment by not suspending the
7 filing.

8 Is there any discussion?

9 (No response.)

10 CHAIRMAN SCOTT: Any objections?

11 (No response.)

12 CHAIRMAN SCOTT: Hearing none, the
13 filing is not suspended.

14 Item E-5 is Docket No. 12-0456. This
15 is our rulemaking proceeding to develop and adopt
16 rules concerning municipal aggregation. This
17 item will be held for disposition at a future
18 Commission proceeding.

19 Item E-6 is Docket No. 13-0079. This
20 is Mt. Carmel's proposed general rate increase
21 for gas service and an electric rate design
22 revision. This item will also be held for
23 disposition at a future Commission proceeding.

24 Items E-7 through E-10 can be taken

1 together. These items are applications for
2 licensure as an agent, broker, and consultant
3 under Section 16-115C of the Public Utilities
4 Act. In each case ALJ Kimbrel recommends entry
5 of an Order granting the requested certificate.

6 Is there any discussion?

7 (No response.)

8 CHAIRMAN SCOTT: Are there any
9 objections?

10 (No response.)

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

13 Item E-11 is Docket No. 13-0338.
14 This is Ameren Energy Marketing Company doing
15 business as Homefield Energy's petition for
16 confidential and/or proprietary treatment of
17 certain information contained in its 2013 Annual
18 Recertification Report. ALJ Teague-Kingsley
19 recommends entry of an Order granting the
20 requested relief.

21 Is there any discussion?

22 (No response.)

23 CHAIRMAN SCOTT: Are there any
24 objections?

1 (No response.)

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

4 Item E-12 is Docket No. 13-0516.
5 This is Ameren's petition for authorization to
6 utilize eminent domain power pursuant to Section
7 8-509 of the Public Utilities Act. ALJ Von
8 Qualen recommends entry of an Order granting the
9 requested relief.

10 Is there any discussion?

11 (No response.)

12 CHAIRMAN SCOTT: Are there any
13 objections?

14 (No response.)

15 CHAIRMAN SCOTT: Hearing none, the
16 Order is entered.

17 Items E-13 through E-15 can be taken
18 together. These items are Joint Petitions for
19 Approval of a Commercial Customer Release. In
20 each case the ALJ recommends entry of an Order
21 granting the Joint Petition.

22 Is there any discussion?

23 (No response.)

24 CHAIRMAN SCOTT: Are there any

1 objections?

2 (No response.)

3 CHAIRMAN SCOTT: Hearing none, the
4 Orders are entered.

5 Turning now to Natural Gas, Item G-1
6 is GRM No. 13-132. This is Liberty Utilities'
7 filing to facilitate a name change. Staff
8 recommends that we approve the name change by not
9 suspending the filing.

10 Is there any discussion?

11 (No response.)

12 CHAIRMAN SCOTT: Are there any
13 objections?

14 (No response.)

15 CHAIRMAN SCOTT: Hearing none, the
16 filing is not suspended.

17 Item G-2 is GRM No. 13-098 and
18 13-113. This is Ameren's filings to revise
19 processes for their non-residential gas
20 transportation services. Staff recommends that
21 we approve the revisions by not suspending the
22 filings.

23 Is there any discussion?

24 (No response.)

1 CHAIRMAN SCOTT: Are there any
2 objections?

3 (No response.)

4 CHAIRMAN SCOTT: Hearing none, the
5 filings are not suspended.

6 Item G-3 is Docket Nos. 13-0220 and
7 13-0221. This item concerns North Shore Gas
8 Company and People's Gas, Light, and Coke
9 Company's petitions to initiate an annual
10 reconciliation proceeding to determine the
11 accuracy of the statement each utility submitted
12 pursuant to Rider VBA of its schedule of rates
13 for gas service. ALJ Jorgenson recommends entry
14 of an Order approving the reconciliations.

15 Is there any discussion?

16 (No response.)

17 CHAIRMAN SCOTT: Are there any
18 objections?

19 (No response.)

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

22 Item G-4 is Docket No. 13-0340. This
23 is Enable Illinois Intrastate Transmission's
24 application for a certificate in good standing as

1 a common carrier by pipeline and Order for
2 temporary authority. The Commission granted the
3 Company's request in an Interim Order on June 18,
4 2013. ALJ Yoder recommends entry of a Final
5 Order granting the requested relief.

6 Is there any discussion?

7 (No response.)

8 CHAIRMAN SCOTT: Are there any
9 objections?

10 (No response.)

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

13 Item G-5 is Docket No. 13-0458. This
14 is our rulemaking to establish rules in
15 accordance with Public Act 98-57, which became
16 effective on July 5, 2013, and which concern
17 tariffs that allow natural gas utilities of a
18 certain size to recover the costs of
19 infrastructure improvements without seeking a
20 general rate increase. ALJ Dolan recommends
21 entry of an Order authorizing the second notice
22 period and recommends that we submit the second
23 notice of the proposed amendment to JCAR.

24 Is there any discussion?

1 (No response.)

2 CHAIRMAN SCOTT: Are there any
3 objections?

4 (No response.)

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

7 Item G-6 is Docket No. 13-0500. This
8 is Nicor's petition under Section 5-104(e) of the
9 Public Utilities Act for authority to revise
10 depreciation rates applicable to depreciable gas
11 plant. ALJ Baker recommends entry of an Order
12 granting the petition.

13 Is there any discussion?

14 (No response.)

15 CHAIRMAN SCOTT: Are there any
16 objections?

17 (No response.)

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

20 On to Telecommunications, Items T-1
21 through T-5 can be taken together. These items
22 are rulemaking proceedings to either repeal or
23 amend Code Parts 720, 730, 732, 745, and 705 of
24 our Administrative Rules. In each case Staff

1 recommends entry of an Order initiating the
2 rulemaking proceeding and authorizing the first
3 notice period.

4 Is there any discussion?

5 (No response.)

6 CHAIRMAN SCOTT: Are there any
7 objections?

8 (No response.)

9 CHAIRMAN SCOTT: Hearing none, the
10 Orders are entered.

11 Items T-6 and T-7 can be taken
12 together. These are applications for
13 certificates of prepaid calling service provider
14 authority in Illinois pursuant to Section
15 13-404.1 of the Public Utilities Act. In both
16 cases ALJ Riley recommends entry of an Order
17 granting the requested certificate.

18 Is there any discussion?

19 (No response.)

20 CHAIRMAN SCOTT: Are there any
21 objections?

22 (No response.)

23 CHAIRMAN SCOTT: Hearing none, the
24 Orders are entered.

1 Items T-8 and T-9 can be taken
2 together. These items are joint petitions for
3 the approval of or amendment to interconnection
4 agreements. In both cases ALJ Baker recommends
5 entry of an Order approving the agreement.

6 Is there any discussion?

7 (No response.)

8 CHAIRMAN SCOTT: Any objections?

9 (No response.)

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

12 On to Water and Sewer, Item W-1 is
13 Docket No. 13-0308. This is Aqua Illinois'
14 Petition for a Certificate of Public Convenience
15 and Necessity to operate a wastewater collection
16 and treatment system, approval of an Asset
17 Purchase Agreement with the Village of Sun River
18 Terrace, and for the issuance of an Order
19 approving rates, accounting entries, and
20 depreciation. ALJ Jorgenson recommends entry of
21 an Order granting the requested relief.

22 Is there any discussion?

23 (No response.)

24 CHAIRMAN SCOTT: Any objections?

1 (No response.)

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

4 We have two items of other business
5 on today's agenda.

6 The first item concerns Liberty
7 Energy Midstates' Annual Reorganization Report.
8 I believe we have Liberty Midstates' president,
9 David Swain, available to update us on this
10 topic.

11 Mr. Swain, would you like to come
12 forward, please.

13 MR. SWAIN: Good morning.

14 CHAIRMAN SCOTT: Good morning.

15 MR. SWAIN: We're handing out here in
16 the room some handouts that I'll be walking
17 through, and thank you for the opportunity to --
18 allowing us to provide an update today as
19 promised in the semiannual compliance report and
20 also in accordance with the original stip
21 agreement. My comments today are primarily
22 intended to answer those concerns that were a
23 part of the original stip agreement; and
24 subsequently, after the face-to-face meeting

1 today, we will follow up with the required
2 e-filing to provide any other details that are
3 not brought out today.

4 On the first page, all Liberty
5 systems are fully implemented, and those include
6 the financial systems, the customer care, and
7 finally the compliance and work order system.
8 Those are all fully implemented. The service --
9 the continuing service agreement that was
10 originally in place with Atmos -- all of those
11 have been completed, and presently there are no
12 continuing service agreements in place with Atmos
13 Energy. So we're fully functional on our own
14 systems at this point.

15 As promised and in the original
16 meetings, that we plan to open our offices back
17 up and to take payments and allow local walk-in
18 traffic into the local operations -- we have done
19 that. We also have instituted our own answering
20 system that ensures that all of the calls are
21 actually answered within the Liberty Midstates
22 region, and that is done, and we are maintaining
23 those stats within the pre-cutover levels.

24 Throughout the integration for the

1 last 14 months, we have received only seven
2 customer complaints, and each of those have been
3 addressed, and I don't believe that now there are
4 any of those that are outstanding.

5 On the pipeline line --

6 CHAIRMAN SCOTT: Can you give -- I'm
7 sorry, Mr. Swain. Sorry. Can you give us,
8 maybe, a little flavor of what the complaints
9 were? What the nature of them were? Not
10 specifically but just in general.

11 MR. SWAIN: Yeah, I certainly can.
12 Thank you.

13 There were three or four of those
14 seven that dealt with some billing issues that
15 were a result of the conversion process where we
16 had a naming convention or a customer account --
17 something like that was wrong and caused some
18 issues with the actual bills. So we had to
19 respond and take care of those customer issues.

20 There were two that dealt with what
21 we call our farm-type customers that are
22 associated with the Virden, Illinois, operation.
23 Some of you may know that we serve approximately
24 4- to 500 farm-type customers that are actually

1 tied onto the transmission line there instead of
2 our own pipeline, and they had a shutdown. And
3 this is not unusual. From time to time they have
4 to do maintenance, and originally those customers
5 were informed that that was going to be the case.
6 That was many years ago. And when we have one of
7 those shutdowns now, we usually have some
8 customers that are unhappy because they're out of
9 service until that pipeline is put back in
10 service. And so we had to respond to those.
11 And, again, it's not unusual. Each time they
12 have a shutdown, seems like we will have a couple
13 people that didn't remember that, and they're not
14 happy because they don't have hot water. So we
15 had to respond to those.

16 And the other one that I recall --
17 it's a little bit different. We had one
18 individual that didn't agree with the amount that
19 was on his bill. So he decided he would pay the
20 amount that he thought that was -- that was due
21 and contacted several people in regard to that.
22 But we have responded, and I think that we've
23 reached agreement with the Staff in the
24 appropriate way to handle that, and I think

1 that's been resolved.

2 CHAIRMAN SCOTT: Okay. Thank you.

3 COMMISSIONER COLGAN: You say you
4 have 4- or 500 customers that -- that they're
5 tapped into the transmission line rather than the
6 distribution system.

7 MR. SWAIN: That's correct.

8 COMMISSIONER COLGAN: Yeah. How
9 long -- when the pipeline shuts down, how long
10 does that usually take to --

11 MR. SWAIN: It depends on what work
12 that they're actually doing. It could be, you
13 know, as much as a couple of days. We've had
14 them to have been very short. We've also had
15 them that have been a couple of weeks depending
16 on what kind of work they have to do.

17 Also happy to report that at this
18 date we've had successful safety audits in all of
19 the Illinois locations. I think that certainly
20 shows that we've continued to do all of the
21 compliance, all of those things that are required
22 under the federal code and by the Illinois
23 statutes. We continue to meet all the compliance
24 filing requirements as necessary.

1 The next page, on page 4 -- we put
2 this page in here because there were several
3 points in the stip agreement that addressed
4 making sure that, because of the transition from
5 Atmos to Liberty, that the customers -- that the
6 customer cost was not impacted. And what you see
7 here is the actual comparison of the '13 budget,
8 and that '13 budget was based on a five-year
9 running average. So they were -- because of that
10 running average, they were very much in line with
11 the previous four, and you can see here that
12 we're tracking well on that '13 budget. So those
13 costs have not -- those costs have --

14 CHAIRMAN SCOTT: Hang on just a
15 second. We'll see what they're telling us this
16 time.

17 COMMISSIONER COLGAN: They just
18 discovered you didn't evacuate the building.

19 (Fire drill announcement.)

20 CHAIRMAN SCOTT: Okay. We're all
21 clear. Go ahead.

22 MR. SWAIN: All right. Thank you.

23 So that budget that was, again,
24 developed by looking at a five-year average,

1 we're tracking nicely and expect to come in right
2 on budget in 2013.

3 I've also put there -- you can see
4 where our capital spending is. You can see on
5 '13 we're a little bit behind on that spending,
6 but we expect to be right on the 2.9 in capital
7 budget. We actually have increased capital
8 spending a bit in 2013.

9 The last one there deals with another
10 point in the stip that deals with the cost of
11 credit, and you can see a part of a press release
12 that was put out by Algonquin and Liberty that
13 shows that our credit rating was actually
14 upgraded from a BBB- to BBB. And so we continue
15 to meet that requirement of the stip agreement
16 too.

17 Be happy to answer any questions that
18 anyone has.

19 COMMISSIONER MCCABE: Mr. Swain, will
20 your capital budget remain about the same in
21 2014? And what kinds of things are included in
22 that?

23 MR. SWAIN: We expect that it will
24 track nicely. We have had some expenditures in

1 2013 that deal with some new IT type of systems:
2 a new customer billing system that was initiated,
3 a system that's called Winsoft that helps us
4 track our compliance systems. Those are the --
5 those were in the '13 budget. We don't expect
6 that we'll have anything significant on the IT
7 side in 2014.

8 We will be making some upgrades to
9 some of our existing regulator stations and
10 facilities throughout the state, and we're
11 working on that schedule as we speak.

12 CHAIRMAN SCOTT: Any questions?

13 (No response.)

14 CHAIRMAN SCOTT: Thank you very much.
15 We appreciate you coming in.

16 MR. SWAIN: Thank you.

17 CHAIRMAN SCOTT: The last item of
18 other business today is a FERC item which
19 concerns pending litigation. So we'll go into
20 Closed Session to address it.

21 Is there a motion to go into Closed
22 Session?

23 COMMISSIONER MCCABE: So moved.

24 CHAIRMAN SCOTT: Moved by

1 Commissioner McCabe.

2 ACTING COMMISSIONER DEL VALLE:

3 Second.

4 CHAIRMAN SCOTT: Second by
5 Commissioner del Valle.

6 All in favor say aye.

7 (Ayes heard.)

8 CHAIRMAN SCOTT: Any opposed?

9 (No response.)

10 Vote is 5-0, and the Commission will
11 now go into Closed Session.

12 Please let me know when the room is
13 ready in Springfield.

14

15 (At this point pages 27 - 35 of
16 the proceedings are contained in
17 a separate closed transcript.)

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CONTINUATION OF PROCEEDINGS

COMMISSIONER COLGAN: We're ready.

CHAIRMAN SCOTT: In Closed Session,
Bill VanderLaan of Commission Staff briefed us on
OMS comments in response to September 13, 2013,
filings made by MISO and various MISO
transmission owners concerning revisions to their
formula transmission rate protocols.

This item does not require any
Commission action at this time.

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

JUDGE WALLACE: No. I think that's
it, sir.

CHAIRMAN SCOTT: Thank you, Judge.

If you would, let the court
reporter -- give her Nicole's contact information
in case she has any questions about the
transcript for today.

JUDGE WALLACE: All right.

CHAIRMAN SCOTT: Very good. Thanks.

Hearing nothing further to come
before the Commission, this meeting stands
adjourned.

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Thank you, everyone.

MEETING ADJOURNED

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CERTIFICATE OF REPORTER

STATE OF ILLINOIS)
) ss.
COUNTY OF SANGAMON)

I, ROBIN A. ENSTROM, a Registered Professional Reporter and Certified Shorthand Reporter within and for the State of Illinois, do hereby certify that the foregoing proceedings were taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

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Illinois CSR No. 084-002046