

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

Illinois Bell Telephone Company)	
)	
Compliance with the Requirements)	Docket No. 05-0575
of Section 13-505.1 of the Public)	
Utilities Act (Payphone Rates))	

STAFF OF THE ILLINOIS COMMERCE COMMISSION'S
INITIAL COMMENTS ON SCOPE AND DIRECTION OF CASE

NOW COMES the Staff of the Illinois Commerce Commission (hereafter "the Staff") and, pursuant to the Administrative Law Judge's (hereafter "ALJ's") Notice of February 17, 2006, hereby states, as its Initial Comments on Scope and Direction of the Case, as follows:

On February 10, 2006, a hearing was convened in the above-referenced matter relating to Motions to Compel Discovery filed by the Illinois Public Telecommunications Association (hereafter "IPTA"), seeking to compel production by the Illinois Bell Telephone Company (hereafter "AT&T Illinois") of certain documents related to cost studies. At the hearing in question, the ALJ directed the parties to submit Comments regarding the scope and direction of the case.

For the reasons set forth below, Staff recommends that:

A. A finding be made that AT&T Illinois has shown cause why it cannot file compliant rates in the manner required by the Commission in the Imputation Order;

B. That the Commission either reopen the Payphone proceeding for the purpose of determining the proper TELRICs for use in developing rates for payphone services, or in the alternative join such other parties to this proceeding as are necessary to the determination of that issue.

I. Background

This proceeding has its genesis in the Commission's *Order* in the SBC Imputation Proceeding. There, the Commission found, with respect to COPTS service, as follows:

Since the time that we entered our order in Docket 98-0195, there has been a significant change in legal and factual circumstance. Clearly, what no one foresaw at the time of our payphone order in Docket 98 -0195¹ is the effect produced by our rate change in Docket 02-0864 and the implications this would have for the instant proceeding.

Where such a problem has arisen, it is incumbent upon this Commission to address the matter in the most reasonable fashion.

....

Our ultimate objective ... is satisfied. We know what parts of the test SBCI's rates pass and what do not pass. ... Relevant to the COPTS lines that do not pass imputation, we have been shown enough to believe that: (1) there are some ways to bring about imputation success; and (2) do so without running into the preemption obstacle. The actual adjustments that need to be made and how to make them are, in our view, not well reflected.

The Commission adopted the methodology prescribed in Docket 98-0195 less than eighteen months ago, and we remain satisfied that it develops just and reasonable COPTS and payphone services rates, and also stands in compliance with the

¹ Interim Order, Illinois Commerce Commission On its Own Motion: Investigation Into Certain Payphone Issues as Directed in Docket 97-0225, ICC Docket No. 98-0195 (November 12, 2003) (hereafter "Payphone Order")

federal guidelines for the formulation of such rates. We see no need to depart from it here.

All parties agree that docket 98-0195, i.e., the source of our Payphone Order, should not be reopened. The Commission also agrees that is not a direction that we need go at the present and in these premises. Taking account of all the arguments on exceptions and the replies thereto, the Commission arrives at its final determination on the payphone issues in just this way:

We direct SBCI to file tariffs with revised rates for COPTS and payphone services that comply with the FCC's "new services test," Section 13-505.1, and the Commission's Payphone Order in docket 98-0195, or, it will show cause why such tariffs cannot be filed. It is to be understood that the Commission will suspend and investigate this tariff filing and will do likewise on a show cause filing. This action will allow the opportunity for the development of full and complete record by all interested parties. SBCI is further directed to make this filing within 90 days of the entry of the instant order.

To be sure, the Commission is strongly disinclined to upset in any way the methodology that was established in our Payphone Order. We will not, however, speculate on where this filing takes us. ...[.]

Staff is correct in noting that, contrary to what the IPTA would suggest, there is no need for the Commission to consider whether to have SBCI re-run all of its LRSICs for all services and groups. We agree that such a proposal would take us far and away from the intents and purposes of this proceeding. Such a question is simply not upon us. **Our only concern and objective is to address the situation clearly before us that shows a failure of most COPT[S] rates to pass imputation. We have arrived at a reasonable means for dealing with this matter.**

Order at 103-04, Illinois Bell Telephone Company: Petition Regarding Compliance with the Requirements of Section 13-505.1 of the Public Utilities Act, ICC Docket No. 04-0461 (June 7, 2005) (emphasis added) (hereafter "Imputation Order")

II. SBC's Statement in Compliance

On September 6, 2005, AT&T Illinois filed its *Statement in Compliance with Order in Docket No. 04-0461*, thereby initiating this proceeding. In its *Statement*, AT&T Illinois asserted as follows:

SBC Illinois is hereby filing a show cause statement, rather than tariffs. In compliance with the Commission's Order and Staff's recommendation in the imputation proceeding, SBC Illinois has updated its LRSIC studies for payphone service and has used the shared and common cost factor approved in Docket No. 02-0864. [fn] Payphone rates based on these updated cost studies still will not comply with Section 13-505.1, at least not in their entirety. Although more of the payphone rates would satisfy an imputation test based on the new cost studies (i.e., payphone rates based on the updated LRSIC studies would be higher than the currently filed rates which were based on LRSIC studies reviewed in Docket No. 98-0195), rates for the basic Coin Line in Access Areas B and C are still too low. A comparison of payphone rates based on the updated LRSIC costs and the results of an imputation test are shown in Attachment B. Based on this analysis, SBC Illinois has concluded that payphone rates cannot be developed that meet the requirements of the New Services Test, Section 13-505.1 of the [Illinois Public Utilities] Act, and the Commission's Order in Docket No. 98-0195 on an across-the-board basis.

Statement, ¶4

AT&T Illinois stated, however, that "payphone rates can be developed that satisfy the New Services Test and Section 13-505.1[.]" by using aggregated TELRIC costs for the payphone rates at issue in this proceeding. Statement, ¶5. AT&T Illinois further stated that, in its view, the use of TELRIC costs is permissible under existing federal doctrines governing payphone rates. Id. AT&T Illinois further asserted that, in light of its inability to comply with the New Services Test, Section 13-505.1, and the Commission's Order in Docket No. 98-0195, "further proceedings will be required to determine how to achieve

compliance with these various legal obligations,” contending that “[s]uch a proceeding was expressly contemplated when the Commission ordered SBC Illinois to file compliant tariffs or show cause why it could not.” Id., ¶6.

III. Requirements of the *Imputation Order*

It appears to the Staff that, the Commission intended, as it clearly stated, that this proceeding was intended to address “the failure of COPTS rates to pass imputation[,]” and what steps the Commission might take in the event that AT&T Illinois² showed cause why the rates in question could not be made to pass imputation, i.e., “why such tariffs cannot be filed.” Imputation Order at 103-04. That Staff notes that the Commission further stated that the imputation question was: “[its] only concern and objective” in this proceeding. Id. at 104. Accordingly, Staff takes the view that this proceeding ought not to be a wide-ranging inquiry into COPTS rates, but rather a narrowly focused inquiry into the imputation questions. It is further clear that SBC’s position from the outset of this proceeding is that it indeed cannot file compliant rates under the existing rate formula. Statement, ¶4. As such, it is reasonable to characterize this proceeding as an inquiry into: (a) whether AT&T Illinois has shown cause of a satisfactory nature why indeed it cannot file rates simultaneously compliant with the New Services Test, the Payphone Order, and Imputation; and (b) if indeed AT&T Illinois has done so, what, if any steps can be taken to bring AT&T’s rates into compliance. While the parties’ testimony is not yet of record, the Staff will refer to it in some detail, inasmuch as it describes the parties’ positions in sufficient detail to

² SBC Illinois is now AT&T Illinois.

determine what recommendations they in fact have regarding the scope and direction of this proceeding.

IV. Parties' Testimony

A. AT&T Illinois

On November 9, 2005, pursuant to schedule, AT&T Illinois pre-filed its direct case in the proceeding, that being the Direct Testimony of Eric L. Panfil, AT&T Ex. 1.0, and David J. Barch, AT&T Ex. 2.0. The testimony of Messrs. Panfil and Barch purport to show that AT&T Illinois cannot, even through the use of updated LRSICs, develop basic coin line rates in Access Areas A and B that satisfy the requirements of Section 13-505.1. AT&T Ex. 1.0 at 8, *et seq.*; AT&T Ex. 2.0, *generally*. Mr. Panfil recommends that AT&T Illinois be permitted to use TELRIC costs in developing aggregated TELRICs in setting the rates it charges to payphone service providers. AT&T Ex. 1.0 at 14-17. In the event that the Commission adopts this recommendation, Mr. Panfil asserts that the rates in question will pass imputation by a fairly substantial margin in all cases. AT&T Ex. 1.0 at 14; Schedule ELP-3.

B. Staff

On January 4, 2006, the Staff pre-filed its direct case in the form of the Direct Testimony of Robert F. Koch, Staff Ex. 1.0. Mr. Koch's review of the presentation by Messrs. Panfil and Barch causes him to recommend as follows:

At this time, I do not have reason to suggest that the [revised LRSIC] inputs proposed by SBCI are in error. If the Commission were to accept the results from the new cost models as proposed by SBC, imputation failure would need to be addressed. While Mr. Panfil's proposal to set certain payphone rates using TELRIC costs solves the problem of imputation, I hesitate to recommend its use

until other options have been exhausted. Therefore, I withhold my final recommendation until after I have reviewed the testimony of other parties to this proceeding.

Staff Ex. 1.0 at 17

It should, of course, be noted that, at the time Staff pre-filed its direct testimony, it had no opportunity to review IPTA's testimony.

C. IPTA

Also on January 4, 2006, the IPTA filed its direct case, in the form of the Direct Testimony of Michael Starkey and Hallie Lawrence, hereafter referred to as "IPTA Ex. 1.0", although not in fact marked for identification. The IPTA appears to agree that a significant impediment exists to AT&T Illinois filing compliant rates. IPTA Ex. 1.0 at 5-6, 13, *et seq.* IPTA witnesses Mr. Starkey and Ms. Lawrence contend that AT&T Illinois cannot file compliant rates without the Commission reopening the *SBC Loop TELRIC Proceeding*³ and reconsidering certain decisions made therein. *Id.* Mr. Starkey and Ms. Lawrence assert that the Commission made numerous "errors" in setting AT&T Illinois's loop TELRIC rates in the *SBC Loop TELRIC Proceeding*. IPTA Ex. 1.0 at 27. Specifically, Mr. Starkey and Ms. Lawrence contend that the Commission adopted fill factors that are too low, and depreciation lives that are too short. *Id.* at 25-27. Mr. Starkey and Ms. Lawrence recalculate UNE loop LRSICs incorporating what, in their view are the correct values for fill and depreciation. *Id.* at 29. Mr. Starkey and Ms. Lawrence argue that the rates thus developed "comply with all relevant pricing constraints." *Id.* at 28.

³ Order, Illinois Bell Telephone Company: Filing to increase Unbundled Loop and Nonrecurring Rates, ICC Docket No. 02-0864, 2002 Ill. PUC Lexis 564 (June 9, 2004)

V. Parties' Proposals – Whether AT&T Illinois has Shown Cause

While there is substantial disagreement regarding what must, in fact, be done regarding the implications of AT&T Illinois' inability to file compliant rates, there seems to be no dispute whatever that, for whatever reason, AT&T Illinois' inability to do so is genuine, given the requirements of imputation, the New Services Test, and the Payphone Order (and other Commission orders to which AT&T Illinois is subject; and moreover, that this must be addressed. In other words, AT&T Illinois has, by the terms of the *Imputation Order*, shown cause why it cannot file compliant rates.

VI. Parties' Positions – Scope and Direction

As noted above, however, the parties disagree profoundly regarding the manner in which the problem is to be addressed.

AT&T Illinois favors the use of aggregated TELRICs to set payphone rates, and has demonstrated that such rates would indeed pass imputation. Unsurprisingly, this results in significantly higher payphone rates than currently exist. AT&T Ex. 1.0, Schedule ELP-3. The IPTA recommends that LRSICs be used, adjusted to utilize "more appropriate" fill factors and depreciation lives. Unsurprisingly, this results in significantly *lower* payphone rates than currently exist, including one of \$0.00. IPTA Ex. 1.0 at 7, 28. The Staff has withheld its recommendation pending a review of the other parties' testimony. Staff Ex. 1.0 at 16.

VII. Staff Analysis of Parties' Positions

A. *AT&T Illinois*

AT&T Illinois' proposal would undoubtedly require the Commission to revisit and "modify" the conclusions reached in the *Payphone Order*, as AT&T Illinois concedes. AT&T Ex. 1.0 at 17. This is because the Commission adopted the following formula for developing payphone rates:

<u>Direct Cost</u>	<u>Overhead Cost</u>	<u>Reasonable Rate</u>
LRSIC +	LRSIC x Overhead %	= Rate
	- EUCL	
	- No-PICC	

Payphone Order at 37

Obviously, then, the use of TELRICs in developing these rates would violate the *Payphone Order*, unless that *Order* could be, and were, modified to require, or at least permit, the use of TELRICs. Furthermore, to the extent that the Commission elected to modify the manner in which payphone rates are developed, such a course of action would affect the rights of Verizon North, Inc. and Verizon South, Inc. (hereafter collectively, "Verizon"). Verizon was and remains subject to the pricing constraints established in the *Payphone Order*, see Payphone Order at 21 (Commission rules that New Services Test, upon which Commission rate formula is based, is applicable to Verizon), Verizon would, at the least, be required to receive notice and an opportunity to be heard on the matter. Since it is likely that the Commission will adopt new TELRIC based UNE rates for Verizon in the very near future, see *ALJ Proposed Order*, Verizon North

Inc. (f/k/a GTE North Incorporated) and Verizon South Inc. (f/k/a GTE South Incorporated): Petition Seeking Approval of Cost Studies for Unbundled Network Elements, Avoided Costs and Intrastate Switched Access Services, ICC Docket No. 00-0812 (January 18, 2006) (UNE rates for Verizon loops set), Verizon may well have views on how such a change in policy should apply to it. Accordingly, the AT&T Illinois proposal is not without its drawbacks, at least in terms of administrative economy.

B. IPTA

The drawbacks associated with IPTA's proposal, however, are even more pronounced than those associated with AT&T Illinois. As IPTA concedes, its proposal would require amendment of the *SBC UNE Loop Order*. IPTA Ex. 1.0 at 6. IPTA was, as noted above, a party to the *SBC UNE Loop Proceeding*, having filed a *Petition to Intervene* in that proceeding on February 11, 2003, which was duly granted. It was afforded a full and fair opportunity to raise arguments regarding depreciation and fill factors in that proceeding, and in fact did so, by virtue of adopting the arguments in brief of CLEC intervenors. Its attempt to reargue the Commission's findings here is therefore improper. IPTA can seek rehearing of the Commission's decision – which it did, and which was denied – and it can take an appeal from the Commission's decision – which it may have done. However, it cannot relitigate the final agency decision in a different proceeding, which is what it is attempting to do here.

Apart from the jurisdictional, procedural and prudential infirmities of the IPTA position, IPTA's proposal is infirm in other ways. It scarcely needs to be

stated that the *SBC UNE Loop Proceeding* was a large, hotly contested matter, in which numerous parties participated. By way of example, there are, based upon an e-docket review conducted on Thursday, February 23, 2006, some seventy-four persons on the service list. Numerous parties filed testimony and participated actively in the five days of evidentiary hearings, including AT&T Illinois, the Staff, the Attorney General, the Citizens Utility Board, the United States Department of Defense and other federal executive agencies, the International Brotherhood of Electrical Workers, AT&T Communications of Illinois, Inc.⁴, Cimco Communications, Inc., Covad Communications Company, Forte Communications, Inc., McLeodUSA Telecommunications Services, Inc., RCN Telecom Services of Illinois, LLC, TDS Metrocom, LLC, Worldcom, Inc., d/b/a MCI, XO Communications, Inc. and Z-Tel Communications, Inc. Indeed, as noted above, the IPTA was a party to the proceeding. The scope of the issues presented to the Commission is best illustrated by this fact: the Commission Order was two hundred ninety-nine pages in length.

Further, the two Commission decisions from the *SBC UNE Loop Proceeding* that the IPTA concedes would have to be reconsidered under its proposal are fill factors and depreciation. IPTA Ex. 1.0 at 12, 29. These two issues were, without much question, the most vigorously litigated issues in a proceeding replete with vigorously litigated issues. The positions advanced by IPTA here – that the fill factors the Commission adopted are too low, and

⁴ AT&T Communications of Illinois, Inc., was then a competitor of, and party opponent to, SBC Illinois, now AT&T Illinois.

⁵ Staff filed an Initial Brief that was two hundred thirty-four pages in length, and Staff's Initial Brief was by no means the longest filed.

depreciation lives too short – were raised by parties to the *SBC UNE Loop Proceeding*, and rejected by the Commission. SBC UNE Loop Order at 63-68, 76-77. IPTA concedes as much. IPTA Ex. 1.0 at 9-10, 28.

IPTA's stated basis for asserting that these Commission findings should be revisited appears to be that, to the extent that they are not, it will be impossible to develop rates that both pass imputation and satisfy federal pricing requirements established in Section 276 of the federal Telecommunications Act of 1996, 47 U.S.C. §276. IPTA Ex. 1.0 at 8-9, 18-19. It contends that this is because the Commission cannot "legitimately" take either of the following steps: (1) increase the level of overhead contribution in payphone rates (i.e., to a level greater than the UNE shared and common cost allocation at which they are currently set); or (2) reset the rate formula established in the *Payphone Order* to use TELRIC rather than LRSIC. *Id.* at 19, 23.

It is not the Staff's understanding that any party to this proceeding, other than IPTA, has in fact suggested that an increase in overhead contribution is even being considered; IPTA suggests that AT&T Illinois is asking the Commission to do this, although not in an "upfront" manner. IPTA Ex. 1.0 at 19.

As to the use of TELRIC in the rate formula, IPTA suggests that using TELRIC in this manner would be unlawful because: (1) under the Commission's cost of service rules, as set forth in Code Part 791, LRSIC is meant to identify the direct cost that AT&T Illinois actually incurs in providing a service, *Id.* at 23, and therefore must be used in payphone rates; and (2) that raising payphone rates would harm payphone deployment, thereby frustrating the goals of Section 276.

Id. IPTA states that “the Commission should not be raising rates to payphone providers in order to address this methodological problem related to its imputation rule.” Id. at 23-24.

There are several possible rejoinders to this line of argument. First, there is the undoubted fact that, while IPTA thinks that the use of TELRIC is improper, the FCC does not. In 2000, the FCC’s Common Carrier Bureau determined that ILECs were required to set payphone service rates according to the following parameters:

To satisfy the new services test, an incumbent LEC filing payphone line rates must demonstrate that the proposed rates do not recover more than the direct costs of the service plus "a just and reasonable portion of the carrier's overhead costs." [fn] **Costs must be determined by the use of an appropriate forward-looking, economic cost methodology that is consistent with the principles the Commission set forth in the Local Competition First Report and Order.** [fn]

With respect to the calculation of direct costs, our longstanding new services test policy is to require the use of consistent methodologies in computing direct costs for related services. n20 **Cost study inputs and assumptions used to justify payphone line rates should, therefore, be consistent with the cost inputs used in computing rates for other services offered to competitors.**

Bureau Action Order, ¶¶9-10, In the Matter of Wisconsin Public Service Commission: Order Directing Filings, DA 00-347 CCB/CPD No. 00-1, 15 FCC Rcd 9978; 2000 FCC Lexis 1060 (rel. March 2, 2000)(emphasis added; footnotes omitted)

The full FCC subsequently endorsed the conclusions of its Common Carrier Bureau, finding that:

Finally, the LEC Coalition asserts that the *Bureau Order* mandates the exclusive use of the TELRIC pricing methodology and that this mandate is improper. [fn] The *Bureau Order*, however, contains no

such directive. Indeed, the *Bureau Order* states that the LECs should use a forward-looking methodology that is “consistent” with the *Local Competition Order*. [fn] TELRIC is the specific forward-looking methodology described in 47 C.F.R. § 51.505 and required by our rules for use by states in determining UNE prices. [fn] States often use “total service long run incremental cost” (TSLRIC) methodology in setting rates for intrastate services. **It is consistent with the *Local Competition Order* for a state to use its accustomed TSLRIC methodology (or another forward-looking methodology) to develop the direct costs of payphone line service costs.** [fn]

Memorandum Opinion and Order, ¶49, In the Matter of Wisconsin Public Service Commission: Order Directing Filings; FCC No. 02-25; CPD 00-01 (January 31, 2002) (hereafter “WPSC Order”) (emphasis added; footnotes omitted)

Likewise, in its own Payphone Order, this Commission recognized that either TELRIC or LRSIC can lawfully be used to set payphone service rates, finding that: “[w]hen reviewing tariffed rates for compliance with the N[ew] S[ervices] T[est], state regulators may use either the FCC’s TELRIC methodology (47 C.F.R. § 51.505) or the state’s own forward-looking cost methodology.”⁶ Payphone Order at 34.

In other words, and contrary to IPTA’s contention, the use of TELRIC as the cost basis for payphone service rates is entirely lawful and proper, should the Commission choose to require it.

The IPTA further objects to the use of TELRIC based on the conclusion that, if PSP are required to pay higher rates, as would doubtless be the case were the Commission to authorize the use of TELRIC, it will reduce the

⁶ The *Payphone Order* further noted that: “[i]n Illinois, such forward-looking, direct costs are generally constructed using the Commission’s LRSIC standard[.]” Payphone Order at 34. Nowhere, however, does the *Payphone Order* find that there is any state-law impediment to using TELRIC, chiefly because no such impediment exists.

deployment of payphones in Illinois in derogation of the Congressional objectives allegedly to be found in Section 276.

This argument has a number of defects, quite apart from the fact that would appear to prevent any sort of rate increase for payphone services, ever, under any circumstances. First, the legislature's intent is best found in, and should be sought primarily from the language of the statute since the language of the statute is the best evidence of legislative intent, and provides the best means of deciphering it. Matsuda v. Cook County Employees and Officers Annuity and Benefit Fund, 178 Ill. 2d 360, 364-65; 687 N.E. 2d 866 (1997); Bruso v. Alexian Brothers Hospital, 178 Ill. 2d 445, 451-452; 687 N.E. 2d 1014 (1997); People v. Beam, 55 Ill. App. 3d 943, 946; 370 N.E. 2d 857 (5th Dist. 1977). Congressional intent here is very clearly expressed in the statute. While the Congress does indeed hope to "promote the widespread deployment of payphone services", it undertakes to do so by very specific statutory enactments, which prohibit discrimination and cross-subsidies by ILECs, 47 U.S.C. §276(a)(1-2); require the FCC to make rules governing certain aspects of payphone service, 47 U.S.C. §276(b)(1)(A-E); and additionally require the FCC to consider, in such rulemaking proceedings, whether there is a need to maintain public service payphones in unprofitable locations. 47 U.S.C. §276(b)(2). Nowhere is there any intimation that this should be accomplished by reducing rates to less than cost simply to make payphone deployment more profitable. Payphone providers are entitled to cost based, non-discriminatory rates – the costs basis being any forward looking

methodology a State Commission finds proper – rather than anything whatever that would further deployment of payphones.

Since the FCC has indeed determined that Section 276 requires that rates ILECs charge must indeed be cost-based, see, e.g., WPSC Order, it is thus apparent that Congressional intent cannot be frustrated by an ILEC charging cost based rates, which is what is being proposed here, albeit using a different cost basis. However, TELRIC, as has been seen, is a perfectly lawful cost basis for such rates. Accordingly, using TELRIC would, in no way frustrate Congressional intent. The IPTA's claims to the contrary are baseless and must be rejected.

In summary, the IPTA's position in this proceeding is without merit. It seeks to reopen a large, complicated proceeding – to which it was a party – and to have the Commission reconsider and radically alter the determinations it made on two of the most important issues in that proceeding, all for the purpose of making certain that payphone service provider rates do not increase. The IPTA's proposal would, in other words, result in a very small tail wagging an extraordinarily large dog. The Commission should not entertain it.

Further, it is clear that the Commission has another perfectly lawful and reasonable alternative available to it; the reopening of the Payphone proceeding to determine the proper TELRICs for use in setting payphone rates. As noted above, state Commissions are, contrary to the IPTA's assertions, absolutely permitted to use TELRIC in developing these rates.

VIII. Staff Recommendation – Scope and Direction

Consistent with the arguments set forth above, the Staff recommends as follows:

A. A finding be made that AT&T Illinois has shown cause why it cannot file compliant rates in the manner required by the Commission in the Imputation Order;

B. That the Commission either reopen the Payphone proceeding for the purpose of determining the proper TELRICs for use in developing rates for payphone services, or in the alternative join such other parties to this proceeding as are necessary to the determination of that issue.

WHEREFORE, for all of the reasons articulated above, the Staff of the Illinois Commerce Commission hereby requests that its recommendations be adopted in their entirety.

Respectfully submitted,

/S/ _____

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