

ILLINOIS COMMERCE COMMISSION

MT. CARMEL PUBLIC UTILITY CO. §
§
Proposed general increase in electric § DOCKET NO. 07-0357
And natural gas rates. §

CITY OF MT. CARMEL'S
MOTION TO STRIKE PORTIONS OF THE REBUTTAL TESTIMONY'
OF DAN E. LONG

The City of Mt. Carmel moves to strike the following portions of the testimony of Mt. Carmel Public Utility Co. witness Dan E. Long, MCPU EXHIBIT 1.0 R (Rebuttal Testimony):

Beginning at Page 4, Line 21 through Page 5 Line 2:

They were concerned because of labor cost commitments contained in union contracts in which they had no flexibility. As a result, they asked the utility to assist them in offsetting these costs.

This testimony is hearsay. While hearsay may be admissible in administrative hearings as part of an expert witness's opinion, the witness is not qualified as an expert in union contracts and as to whether the mining company had flexibility under such contracts. There is no opportunity to cross-examine the witness as to the underlying contracts or the mining company's flexibility. In addition, whether or not the union contracts provided "flexibility" simply is not relevant to Mt. Carmel Public Utility Co.'s request for a rate increase in this docket.

Page 5, Line 14 through 16:

Q. Did the mine ever indicate that it received any assistance or concessions from either the County or City?

A. No.

This question and answer is not relevant to whether Mt. Carmel Public Utility Co. should receive a rate increase in this case. It also erroneously assumes that either the County or the City had some type of duty to provide some undefined assistance or provide some form of concessions to the mine.

Page 6, Line 16 through Line 18:

Q. Did Snap-On ever indicate that it received any assistance or concessions from the County or from the City?

A. No.

As with the previous question and answer, this question and answer is not relevant to whether Mr. Carmel Public Utility Co. should receive a rate increase in this case. It also erroneously assumes that either the County or the City had some type of duty to provide some undefined assistance or provide some form of concessions to the company.

Page 10, Line 14 through 22:

Another example is when auto manufactures have routinely “shopped” for locations for new plants. Every body of government involved bends over backwards to make concessions in order to attract the facility. The various utilities involved are usually pressured to a great extent to provide power essentially at or below cost. In the end, labor costs are the driving force behind a chosen location. Auto manufacturing requires enormous amounts of electric power and energy. But, and it is simply my opinion, I do not believe that existing auto plants are relocated to other countries because of lower utility costs.

This portion of the answer is not relevant to any issue in this docket. There is no issue involving the relocation of any auto manufacturing plant from Mt. Carmel’s service area to “other countries.” Further, the testimony is pure speculation. Mr. Long offers no testimony to support that he ever has been involved in any auto manufacturer relocation

issue or that he has personal knowledge of bodies of government bending “over backwards to make concessions.”

Page 11, Lines 7 through 9:

With respect to the mine, I can only offer the observation that without any prior warning or notice, the mine closure announcement came approximately 8 hours following the announcement of a labor stoppage (strike) at the mine.

This testimony is pure speculation and as such should be stricken.

Mt. Carmel requests that the above portions of Mr. Long’s Rebuttal testimony be stricken.

Respectfully submitted,

_____/s/_____
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CERTIFICATE OF SERVICE

I hereby certify that a copy of the City of Mt. Carmel's Motion to Strike has been sent via electronic means to the service list on this 28th day of November 2007.

_____/s/_____
Richard C. Balough