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BEFORE THE  
ILLINOIS COMMERCE COMMISSION

IN THE MATTER OF: )  
)  
Illinois Commerce Commission )  
On Its Own Motion, )  
)  
vs. )  
) No. 15-0186  
The Peoples Gas Light )  
and Coke Company, )  
)  
Investigation into Anonymous letter )  
alleging misconduct and improprieties )  
related to The Peoples Gas Light and )  
Coke Company's accelerated main )  
replacement program. )

Chicago, Illinois  
March 26, 2015

Met pursuant to notice at 1:00 p.m.

BEFORE:  
D. Ethan Kimbrel, Administrative Law Judge.

1 APPEARANCES:

2 ROONEY RIPPPIE & RATNASWAMY LLP, by  
3 MR. JOHN E. ROONEY  
4 350 West Hubbard Street, Suite 600  
Chicago, Illinois 60654-6982  
(312) 447-2801

5 - AND -

6 INTEGRYS BUSINESS SUPPORT LLC, by  
7 MR. M. GAVIN McCARTY  
8 MS. MARY P. KLYASHEFF  
200 East Randolph Street  
Chicago, Illinois 60601  
(312) 240-4470

9  
10 Appearing on behalf of The Peoples Gas  
Light and Coke Company;

11 CITIZENS UTILITY BOARD, by  
12 MS. CHRISTIE REDD HICKS  
309 West Washington Street, Suite 800  
Chicago, Illinois 60606  
13 (312) 263-4329

14 Appearing on behalf of the Citizens  
15 Utility Board;

16 PUBLIC UTILITIES BUREAU, OFFICE  
OF THE STATE OF ILLINOIS ATTORNEY GENERAL, by  
17 MS. KAREN L. LUSSON  
18 MS. JANICE A. DALE  
MR. SAMEER H. DOSHI  
MR. RONALD D. JOLLY  
100 West Randolph Street, 11th Floor  
19 Chicago, Illinois 60601  
(312) 814-3736

20  
21 Appearing on behalf of the People of  
the State of Illinois;

22

1 APPEARANCES CONTINUED:

2 ILLINOIS COMMERCE COMMISSION, by  
3 MS. JESSICA L. CARDONI  
4 MR. MATTHEW L. HARVEY  
5 MR. JOHN C. FEELEY  
6 160 North LaSalle Street, Suite C-800  
7 Chicago, Illinois 60601  
8 (312) 793-3243

9 Appearing on behalf of Commission  
10 Staff;

11 CITY OF CHICAGO LAW DEPARTMENT, by  
12 MR. ORIJIT GHOSHAL  
13 30 North LaSalle Street, Suite 1400  
14 Chicago, Illinois 60602  
15 (312) 744-6936

16 Appearing on behalf of the City of  
17 Chicago.

18 SULLIVAN REPORTING COMPANY, by  
19 Brad Benjamin, CSR  
20 License No. 084-004805

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22 I N D E X

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<u>Witnesses:</u>	<u>Direct</u>	<u>Cross</u>	Re- <u>direct</u>	Re- <u>cross</u>	By <u>Examiner</u>
None.					

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E X H I B I T S

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<u>Number</u>	<u>For Identification</u>	<u>In Evidence</u>
None so marked or entered.		

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1           JUDGE KIMBREL: Pursuant to the authority of  
2 the Illinois Commerce Commission I now call Docket  
3 15-0186, Illinois Commerce Commission On Its Own  
4 Motion versus The Peoples Gas Light and Coke Company.  
5 This is an Investigation into an Anonymous letter  
6 alleging misconduct and improprieties related to The  
7 People Gas Light and Coke Company's accelerated main  
8 replacement program.

9                         Will the parties please identify  
10 themselves for the record, including their address  
11 and telephone number.

12           MR. ROONEY: On behalf of The Peoples Gas Light  
13 and Coke Company, John Rooney of the firm Rooney  
14 Rippie & Ratnaswamy LLP, 350 West Hubbard Street,  
15 Suite 600, Chicago, Illinois 60654.

16           MS. KLYASHEFF: Appearing for the People's Gas  
17 Light and Coke Company, Gavin McCarty and Mary  
18 Klyasheff, 200 East Randolph, Chicago, Illinois  
19 60601, telephone is(312) 240-4470.

20           MS. HICKS: On behalf of the Citizens Utility  
21 Board, Christie Hicks, 309 West Washington, Suite  
22 800, Chicago, Illinois 60606.

1 MS. LUSSON: On behalf of the People of the  
2 State of Illinois, Karen Lusson, Janice Dale,  
3 D-A-L-E, Sameer Doshi, D-O-S-H-I, and Ron Jolly,  
4 J-O-L-L-Y, 100 West Randolph Street, 11th Floor,  
5 Chicago, Illinois 60601.

6 MS. CARDONI: On behalf of Staff witnesses for  
7 the Illinois Commerce Commission, Jessica Cardoni,  
8 Matt Harvey, John Feeley, 160 North LaSalle, Suite  
9 C-800, Chicago, Illinois 60601.

10 MR. GHOSHAL: On behalf of the City of Chicago,  
11 Orijit Ghoshal, G-H-O-S-H-A-L, 30 North LaSalle  
12 Street, Suite 1400, Chicago, Illinois 60602, (312)  
13 744-6936.

14 JUDGE KIMBREL: Is that it?

15 (No response.)

16 Okay. I think the Citizens Utility  
17 Board filed a Petition to Intervene.

18 Is there any opposition to that Motion  
19 to Intervene -- that Petition to Intervene?

20 MR. ROONEY: No.

21 JUDGE KIMBREL: That being said, Petition to  
22 Intervene is granted.

1                   Okay. Who would like to begin?

2                   MS. LUSSON: I'd be happy to, your Honor.

3                   Well, first, we believe then in light  
4 of what we think are serious allegations in the  
5 whistleblower letters that were the basis for  
6 initiating this docket, we believe extensive  
7 discovery needs to take place initially. And we  
8 believe the discovery process potentially could  
9 include a need for subpoenas and depositions,  
10 particularly since persons were named in the second  
11 whistleblower letter that was the subject of the  
12 Staff report that initiated this proceeding. But  
13 we're also cognizant of the Commission's rules that  
14 require more informal discovery procedures be used  
15 before any requests for subpoenas and depositions.

16                   That being said, we think the  
17 Commission was intent on this docket moving  
18 expeditiously, and there was -- the Staff report  
19 suggested that. So in that regard, we think that the  
20 usual 28-day response time provided for in the  
21 Commission's rules needs to be tightened or reduced  
22 here, again, in light of the serious allegations.

1                   In part 200.410 -- specifically  
2 permits modifications of that 28-day timeline, so we  
3 would ask that a 14-day turnaround time be set, and  
4 then again, after the initial discovery, we'd meet  
5 again in four to six weeks at the most to see where  
6 we are in terms of the information and setting a more  
7 formal schedule.

8                   And finally, Judge, again, in light of  
9 serious allegations, we believe it's critical that  
10 you issue an order directing the company, its  
11 affiliates, and the construction companies that  
12 appear to be served as agencies of the company to  
13 retain all records and correspondence associated with  
14 the AMRP. And we've also filed -- we will be filing  
15 a motion to that effect today, seeking that ruling.

16                   JUDGE KIMBREL: Okay.

17                   MR. ROONEY: Judge, in response, first off, the  
18 Company has no objection to establishing a period of  
19 time to allow parties conduct discovery and to set it  
20 for status at some point in the future.

21                   JUDGE KIMBREL: Uh-huh.

22                   MR. ROONEY: I think where we have a concern

1 with is the AG'S request. And I understand that at  
2 least -- well, I'll stick to the AG's request with  
3 regard to the need to expedite responses to  
4 discovery. I observe that there's nothing in the  
5 Corrected Initiating Order that directs this matter  
6 to be handled in an expedited fashion. Indeed the  
7 Company only recently received the unredacted version  
8 of the letter -- one of the letters -- anonymous  
9 letters.

10 JUDGE KIMBREL: Uh-huh.

11 MR. ROONEY: And so, clearly we continue to  
12 look into that issue.

13 Absent any specific direction related  
14 to expediting responses to discovery, to the extent  
15 that -- I think as is noted off the record, we didn't  
16 actually receive a -- despite the fact that the case  
17 was initiated more than two weeks ago, we just  
18 received the first substantive DRs today. And, in  
19 fact, we received the latest one from the AG while I  
20 was -- while both myself and Mr. McCarty were sitting  
21 here, waiting for the hearing to begin.

22 I want to make clear, though, the

1 Company clearly wants to respond fully and fairly to  
2 all relevant discovery requests that relate to within  
3 the scope of the Initiating Order. And what I had  
4 informed previously -- Ms. Lusson up -- earlier  
5 today, was that the Company would be willing to make  
6 best efforts to respond to DRs within 21 days, which  
7 is -- we believe given the fact that we are not sure  
8 how extensive this discovery's going to be,  
9 obviously. Ms. Lusson indicated -- I believe I wrote  
10 down her words correctly -- that there was going to  
11 be extensive discovery. We just do not know at this  
12 point what type of volume we're actually going to  
13 see. And it's really difficult for us to state here  
14 and commit to it. I don't think it's really  
15 reasonable for the Company to be required to respond  
16 to DRs within 14 days.

17                   And so what we would propose instead  
18 is that we would make our best efforts to meet and  
19 respond to discovery within 21 days, and in  
20 fact -- and of course we would communicate with  
21 Counsel if there were issues with certain DRs where  
22 we couldn't meet that 21-day period.

1           JUDGE KIMBREL:  Ms. Lusson, do you want to  
2 respond?

3           MS. LUSSON:  Just very briefly in response.

4                   Your Honor, we did send out a first  
5 data request, which sought copies of any and all data  
6 requests that have been sent out to date including by  
7 the Commission staff earlier than the data request  
8 that was sent today.

9                   And secondly, again, we think that the  
10 fact that the Commission opened this investigation  
11 and referenced the potential issues of safety and  
12 reliability, that this is -- calls for an exception  
13 to the typical 28-day rule.

14                   So again, we think 14 days is the more  
15 appropriate timeline.

16           JUDGE KIMBREL:  I think that all things  
17 considered that the 21 days is a fair compromise.

18           MS. LUSSON:  So, your Honor, would that be 21  
19 days as a limit, and we could ask that that 21 days  
20 be the limit and 14 days as best efforts?

21           JUDGE KIMBREL:  I don't think that's what I'm  
22 saying.

1                   I think 21 -- I think Mr. Rooney  
2 mentioned 21 days as best efforts. And I think if  
3 there's any difficulty meeting that, he mentioned  
4 that he would express that to Counsel, and that seems  
5 fair.

6           MS. CARDONI: And, Judge, I think Staff would  
7 be amenable to that. At this point we hope that we  
8 would have at least one set of responses to review  
9 prior to the 6-week status and potentially send  
10 out follow-ups and what-not so that we'd be in a  
11 position in 6 weeks to figure out what the next steps  
12 would be in the case.

13           JUDGE KIMBREL: Okay. So where are we now?  
14 Should we set a status date?

15           MS. CARDONI: Judge, Staff would like to set a  
16 status for six weeks from today or thereabouts.  
17 That's the first week of May, unless I counted wrong.  
18 Perhaps May 7th?

19           JUDGE KIMBREL: That works for me.

20           MR. ROONEY: That works for the Company.

21           JUDGE KIMBREL: Any particular time?

22           MS. CARDONI: 11:00.

1 JUDGE KIMBREL: Does that for everyone?

2 MR. ROONEY: It works for the Company.

3 MR. GHOSHAL: Yeah.

4 JUDGE KIMBREL: Is there anything else that  
5 needs to be addressed?

6 MR. ROONEY: Nothing from the Company, your  
7 Honor.

8 JUDGE KIMBREL: Okay. Is there anything else,  
9 Ms. Lusson?

10 MS. LUSSON: No, your Honor.

11 JUDGE KIMBREL: Staff?

12 MS. CARDONI: Nothing.

13 MR. ROONEY: Excuse me. There is one more. I  
14 apologize and I completely forgot them.

15 The Company will be filing a Motion  
16 For Protective Order probably within the next day or  
17 so, particularly to the extent that -- consistent  
18 with protective orders have been filed previously in  
19 other cases. So I just wanted to make a note that  
20 that's going to be forthcoming.

21 JUDGE KIMBREL: Okay. Anything further from  
22 anyone?

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(No response.)

No? Okay. That being the case, this matter's continued to May 7th at 11:00 a.m.

(Whereupon the matter was continued to May 7, 2015, at 11:00 a.m.)