

EXHIBIT A

Text of this opinion may be changed
directed prior to the time for filing of
motion for Rehearing or the disposition
of same.

FILED

JUL 17 1996

Nos. 2--94--1272, 2--94--1440, 2--94--1443
2--94--1464, 2--94--1468 cons.

LOREN J. STROTZ, CLERK
APPELLATE COURT, SECOND DISTRICT

IN THE
APPELLATE COURT OF ILLINOIS
SECOND DISTRICT

PUBLISHED IN FULL

ILLINOIS BELL TELEPHONE COMPANY,
Petitioner-Appellant,
v.
ILLINOIS COMMERCE COMMISSION,
Respondent-Appellee
(The People ex rel. James E. Ryan, Attorney General of the State of Illinois, Intervening Respondent-Appellee).

) Petition for review of the
) order of the Illinois Commerce
) Commission.
)
)
) Appeal No. 2--94--1272
)
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)

CITIZENS UTILITY BOARD,
Petitioner-Appellant
v.
ILLINOIS COMMERCE COMMISSION
and ILLINOIS BELL TELEPHONE
COMPANY,
Respondents-Appellees
(The People ex rel. James E. Ryan, Attorney General of the State of Illinois, Intervening Respondent-Appellee).

) Petition for review of the
) order of the Illinois Commerce
) Commission.
)
)
) Appeal No. 2--94--1440
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CITIZENS UTILITY BOARD,)
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) Petitioner-Appellant)
)
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) v.)
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) ILLINOIS COMMERCE COMMISSION)
) and ILLINOIS BELL TELEPHONE)
) COMPANY,)
)
) Respondents-Appellees)
)
) (LDDS Metromedia Communications)
) Company and Illinois Public)
) Telecommunications Association,)
) Petitioners; The People ex rel.)
) James E. Ryan, Attorney General)
) of the State of Illinois,)
) Intervening Respondent-Appellee).)

MCI TELECOMMUNICATIONS)
CORPORATION,)
)
) Petitioner-Appellant,)
)
) v.)
)
) ILLINOIS COMMERCE COMMISSION)
)
) Respondent-Appellee)
)
) (The People ex rel. James E.)
) Ryan, Attorney General of the)
) State of Illinois, Intervening)
) Respondent-Appellee).)

AT&T COMMUNICATIONS OF)
ILLINOIS, INC.,)
)
) Petitioner-Appellant,)
)
) v.)
)
) ILLINOIS COMMERCE COMMISSION)
)
) Respondent-Appellee)
)
) (The People ex rel. James E.)
) Ryan, Attorney General of the)
) State of Illinois, Intervening)
) Respondent-Appellee).)

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CUB contends the Commission erred in relying on a price-cap plan promulgated by the FCC as well as the recommendations of staff. Both the FCC plan and staff's recommendations included an earnings sharing provision. CUB, apparently, argues that because the FCC plan and staff's recommendations included earnings-sharing provisions, the Commission should not have relied on this evidence in making its determination.

This line of argument goes to the credibility and weight of the evidence. As we have stated, the evaluation of credibility and assigning of weight to evidence is entrusted to the Commission. It is possible the Commission, based on other evidence, found the FCC plan and staff's recommendations credible guides in setting the downward adjustment to the price index. The Commission may also have decided both the FCC plan and staff's recommendations benefitted ratepayers too greatly. In either event, the Commission determined the inclusion of an earnings-sharing provision was unnecessary. Accepting CUB's argument implicitly assumes the FCC's and staff's inclusion of earnings-sharing provisions were correct. Whether the FCC and staff were correct is merely a way of describing the credibility or significance ascribed to evidence. This is strictly the province of the Commission.

CUB also argues that during the five-year period of the alternative regulation plan they cannot bring a complaint under section 9--250 of the act. (See 220 ILCS 5/9--250 (West 1994) ("Rate charges or regulations found to be unjust-Redetermination by the Commission").) The order does provide that rates filed under the plan "shall enjoy a presumption that they are just and reasonable and, absent special circumstances, shall become

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effective without suspension or investigation under [a]rticle 9 of the Act." We read this language as merely cautioning parties contemplating a rate challenge that the Commission will dispose of frivolous complaints in a summary manner. The ability to bring complaints concerning unjust or discriminatory rates is set forth in the Act. (See ILCS 5/9--250, 10--108, 13--506.1(e) (West 1994).) Administrative agencies, like the Commission, are creatures of statute (Granite City Division of National Steel Co. v. Pollution Control Board (1993), 155 Ill. 2d 149, 171), and thus derive their power from the legislature (Business & Professional People III, 146 Ill. 2d at 195). As such, the Commission lacks the authority to ignore any portion of its enabling statute. (See Eckman v. Board of Trustees for the Police Pension Fund (1986), 143 Ill. App. 3d 757, 765.) Therefore, the Commission may not create an irrebuttable presumption that rates are reasonable and just; neither may the Commission refuse to consider complaints brought pursuant to sections 9--250, 10--108, 13--506.1(e), or any other provision of the Act. To say that rates filed pursuant to the plan are presumed just and reasonable, is merely another way of saying that the petitioner who challenges such rates bears the burden of proof. (See ILCS 5/13--506.1(e) (West 1994).) Anything more would be void as patently beyond the Commission's authority. See Illinois Power Co. v. Illinois Commerce Comm'n (1986), 111 Ill. 2d 505, 510 (Illinois Power Co. II).

We turn now to the Commission's decision to adopt a plan without an earnings-sharing provision. Possible use of a sharing provision was expressly contemplated by the legislature as a possible tool of alternative regulation. (See ILCS 5/13--506.1(a)