

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

ILLINOIS POWER COMPANY	:	
	:	
Notice pursuant to Section 16-111(g) of the Public	:	No. 03-0022
Utilities Act of Sale of Illinois Power Company's	:	
Transmission Assets to Illinois Electric	:	
Transmission Company, LLC.	:	

Rebuttal Testimony of
MARTIN R. WALICKI
Senior Vice President, Illinois Electric Transmission Company
and
Senior Vice President, Finance and Treasurer
Trans-Elect, Inc.

1 Q. What is your name?

2 A. Martin R. Walicki.

3 Q. You are the same Mr. Walicki whose direct testimony has previously been submitted by
4 Illinois Power in this docket?

5 A. Yes, that's correct.

6 Q. What is the purpose of your rebuttal testimony?

7 A. I will briefly respond to a statement made in the testimony of Mr. Rivara concerning the
8 potential conflict of interest affecting Trans-Elect.

9 Q. Mr. Rivara states that he is concerned about the interest in Trans-Elect owned by an
10 affiliate of GE Capital. What is that interest?

11 A. As I detailed in my direct testimony, an entity called GSFG-V, INC., an affiliate of GE
12 Capital, owns a non-voting interest in Trans-Elect. As a non-voting investor, the rights of
13 GSFG-V, INC. are designed not to control the business of Trans-Elect but to protect it's
14 financial interests. GSFG-V, INC. cannot elect board members or vote on routine
15 business of Trans-Elect.

16 Q. What would happen if GSFG-V, INC. subsequently acquired a voting interest, or
17 converted its ownership into a voting interest?

18 A. GSFG-V, INC. currently owns approximately 12.5% of the equity of Trans-Elect. If that
19 interest became a voting interest, GSFG-V, INC. would be over the 10% threshold and
20 would be considered an affiliated interest of IETC. At that point, all management,
21 construction, engineering, supply, financial, or other similar contracts between IETC and
22 GSFG-V, INC. or its owners would need prior approval of the Commission before

23 becoming effective. So there is significant protection and detrimental effects for GE
24 Capital against even the hypothetical conflict of interest that concerns Mr. Rivara.

25 Q. Does this complete your rebuttal testimony?

26 A. Yes.