

**Initial Comments of Commonwealth Edison Company  
Regarding the  
Public Notice of Informal Hearing (Request for Comments)  
Concerning the Spring 2009 Electric Procurement Events  
Which Were Held On Behalf of Commonwealth Edison Company and  
the Ameren Illinois Utilities (Ameren-CILCO, Ameren-CIPS, and  
Ameren-IP)**

Commonwealth Edison Company (“ComEd”) appreciates the opportunity to comment upon the Illinois Commerce Commission’s (“ICC”) and the Illinois Power Agency’s (“IPA”) recently completed 2008-9 procurement event. Overall, ComEd believes that the process went very smoothly and clearly resulted in very reasonable prices for energy. While a similar process for the 2010 procurement event would be acceptable to ComEd, ComEd does believe that there are several areas where the process could be improved upon.

**1. Updated Forecasts**

The process for a procurement event that is set forth in the Public Utilities Act (220 ILCS 5/16-111.5) provides for the utility to provide a 5-year load forecast to the IPA by July 15 of each year for use in the procurement event for the next year. This results in the use of forecast information that is 8-9 months old by the time that energy is actually procured. During the 2009 procurement event, as a result of dramatic changes in the economy, ComEd updated its forecast in late October 2008 and this updated forecast was used by the ICC to determine the amount of energy to procure. While this load forecast was more up-to-date, it was still six months old by the time energy was procured in May 2009.

The primary limits on the ability of the IPA to use load forecasts that are developed more closely in time to the actual procurement event are the PUA requirement that the ICC specifically approve the forecast to be used in procuring energy (220 ILCS 5/16-111.5(d)(4)), and that the utility procure power in accordance with the approved procurement plan in order to obtain cost recovery (220 ILCS 5/16-111.5(l)).

ComEd recommends that potential solutions to this issue be investigated during the development of the 2010 procurement plan.

## **2. Schedule**

The PUA sets out a process that, for the most part, is determined by the number of days between events rather than set dates. Moreover, the PUA is not always clear as to what the specific event is that is to be used to determine a subsequent date. As such, the parties are not always clear when it is that certain documents must be filed. ComEd believes that this problem could be remedied if the ICC would initiate a proceeding at the time that the IPA posts its proposed procurement plan and indicate in the initiating order what the specific dates are for the subsequent filings.

Similarly, once the ICC decides whether to hold a hearing or not, the process would be aided if the ICC were to set out a complete schedule for the remaining activities in the matter at that time. As it is, the ICC has been following a practice of entering a series of procedural orders addressing just the next step in the matter. This practice leaves the parties uncertain as to what the next filing requirement will be and when it will be due.

## **3. Compliance Version of Procurement Plan**

In the initial procurement proceeding under section 16-111.5 of the Public Utilities Act (220 ILCS 5/16-111.5), ComEd prepared and publicly filed a compliance version of the procurement plan that incorporated all of the changes that had been ordered by the ICC in its order. ComEd filed the plan within about 30 days of the date of the ICC's order.

ComEd believes that the procurement plan implementation would be materially aided by the development of such a plan by the IPA in conjunction with staff and ComEd, and the filing of the plan within a 30 day period. The implementation process moves very quickly. There is little time for dispute resolution and virtually no time for delay. Having an agreed upon plan developed and filed early on in the process will help ensure that all parties have interpreted the ICC's order consistently and will minimize any dispute. This will ensure an orderly and efficient procurement event. ComEd

recommends a process whereby the IPA would draft and circulate a compliance plan within 20 days, staff and ComEd would comment on the plan within 5 days, and the IPA would revise as appropriate within 5 days, for a total of 30 days.

Respectfully submitted,

Commonwealth Edison Company

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