BEFORE THE
ILLINOIS COMMERCE COMMISSION
BENCH SESSION
(PUBLIC UTILITIES)
Springfield, Illinois
March 11, 2015

Met, pursuant to notice, at 10:30 a.m. at 527 East Capitol Avenue, Springfield, Illinois.

PRESENT:
MR. BRIEN J. SHEAHAN, Chairman
MS. ANN McCABE, Commissioner (by video)
MR. MIGUEL del VALLE, Commissioner (by video)
MS. SHERINA E. MAYE, Commissioner (by video)

MIDWEST LITIGATION SERVICES, by
Angela C. Turner, Reporter
CSR #084-004122
CHAIRMAN SHEAHAN: Good morning. Are we ready to proceed in Chicago?

COMMISSIONER DEL VALLE: Yes, we're ready.

CHAIRMAN SHEAHAN: Pursuant to the Open Meetings Act, I call the March 11, 2015, Bench Session of the Illinois Commerce Commission to order. Commissioners McCabe, del Valle, and Maye are present in Chicago. I am in Springfield via video conference. We have a quorum.

We have no public comments.

(The Transportation portion of the proceedings was held at this time and is contained in a separate transcript.)

CHAIRMAN SHEAHAN: Moving on to Public Utilities.

I believe we do have some corrections to the minutes of our February 11, 2015, Bench Session. Are there any objections to making those changes?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, those edits are adopted.
Are there any objections to the approval of the minutes, as edited, for February 11, 2015?

(No response.)

CHAIRMAN SHEAHAN: Without objection, those minutes are approved.

Are there any objections to or corrections of the minutes for February 25, 2015?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, those minutes are also approved.

Moving on to the Electric Agenda. Items E-1 and E-2 involve routine corrections and revisions to rates or riders.

Are there any objections to not suspending the filings in E-1 and E-2?

(No response.)

CHAIRMAN SHEAHAN: Without objection, they're approved.

Let me just clarify. Without objection, those are not suspended.

Item E-3 concerns our adoption of Staff's ComEd 2012 Reliability Performance Report.

Is there any objection to entering an Order to approve the report?
CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item E-4 is Ameren Transmission's Petition Authorizing the Use of Eminent Domain.
Let's have a motion on this. Is there a motion to grant the petition?

COMMISSIONER McCABE: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER MAYE: Second.

CHAIRMAN SHEAHAN: Is there any discussion?

(No response.)

CHAIRMAN SHEAHAN: All those in favor say aye.

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed say no.

(No response.)

CHAIRMAN SHEAHAN: Motion carries.

Items E-5 and E-6 are Joint Motions to Dismiss billing complaints.

Is there any objection to considering and approving these two items together?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, those
motions are granted.

Item E-7 is a proposed Order granting D&G Real Estate of Moline a waiver for separate metering facilities.

Are there any objections to granting the requested relief?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the requested relief is granted.

Item E-8 through E-19 are all Orders granting Certificates for Licensure, Installers, and Authority to provide a service.

Are there any objections to considering these items together and approving the proposed Orders?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders are granted.

Items E-20 and 21 are both Petitions for Confidential Treatment of various reports.

Are there any objections to considering 20 and 21 together and entering the proposed Orders?

(No response.)

CHAIRMAN SHEAHAN: Without objection, the
Orders are granted.

Moving on to the Gas Agenda, Items G-1 and G-2 have been withdrawn.

Item G-3 is a petition to keep TERM Energy’s 2012 Dekatherm Report confidential for a period of two years.

Are there any objections to granting the petition?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the petition is granted.

Items G-4 through 7 are all Motions to Dismiss gas complaints.

Are there any objections to granting the motions?

(No response.)

CHAIRMAN SHEAHAN: The motions are therefore granted.

Items G-8 and 9 are Orders dismissing complaints.

Are there any objections to entering the Orders?

(No response.)

CHAIRMAN SHEAHAN: Without objection, the
Orders are entered.

Item G-10 involves two Petitions for Interlocutory Review and a data request from Commissioners.

First, is there a motion to deny the City, AG, and CUB's Petition for Interlocutory Review regarding the scope of testimony, discovery, and examination regarding the interim audit report?

COMMISSIONER McCabe: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER MAYE: Second.

CHAIRMAN SHEAHAN: Is there any discussion?

(No response.)

CHAIRMAN SHEAHAN: All those in favor say aye.

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed say no.

(No response.)

CHAIRMAN SHEAHAN: Motion carries.

Can we have a Motion to Deny the City, AG, and CUB's Petition for Interlocutory Review regarding the confidentiality of the interim report?

COMMISSIONER MAYE: So moved.

CHAIRMAN SHEAHAN: Is there a second?
COMMISSIONER McCabe: Second.

CHAIRMAN SHEAHAN: Any discussion?

(No response.)

CHAIRMAN SHEAHAN: All those in favor say aye.

Aye.

COMMISSIONER MAYE: Aye.

COMMISSIONER McCabe: Aye.

CHAIRMAN SHEAHAN: Opposed say no.

COMMISSIONER DEL VALLE: No.

CHAIRMAN SHEAHAN: The vote is 3 to 1, and the Motion to Deny passes.

Our second item with respect to G-10 is a data request from the Commissioners.

Commissioner del Valle, I believe you have some discussion.

COMMISSIONER DEL VALLE: Yes. Thank you, Mr. Chairman.

I would like to move pursuant to Section 200.870 of our rules that the Commission direct the ALJ to issue a data request for the parties in this proceeding.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER MAYE: Second.
CHAIRMAN SHEAHAN: Any discussion?

(No response.)

CHAIRMAN SHEAHAN: All those in favor say aye.

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed say no.

(No response.)

CHAIRMAN SHEAHAN: Motion carries.

Item G-11 concerns an investigation into an anonymous letter alleging misconduct and improprieties related to The Peoples Gas Light and Coke Company's Accelerated Main Replacement Program.

I believe we have Gene Beyer here to discuss.

Mr. Beyer, can you update us?

MR. BEYER: Good morning. This is Gene Beyer in Springfield.

Last Friday, on March 6th, Staff sent to you the Staff report and draft initiating Order recommending an investigation into the allegations contained in the anonymous letter.

Yesterday, Staff notified you that our Office of General Counsel has received a second anonymous letter that presents similar allegations.
That letter has been posted on e-Docket, as was the first letter that prompted Staff's recommendation for an investigation.

I am here to answer any questions today you may have; and would like to point out that if you decide to initiate the investigation docket, the draft initiating Order may require modifications to expand the scope of the investigation to address the second letter's allegations and possible subsequent allegations.

CHAIRMAN SHEAHAN: Thank you, sir.

Do we have any questions?

COMMISSIONER MAYE: Mr. Chairman, I do recommend that the Order be modified to expand the scope. I agree generally with your recommendations, Gene, and I did circulate some edits for the initiating Order to the other offices to expand that scope to address the second letter.

I move the adoption of those edits and to direct OGC to incorporate them at this time.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER DEL VALLE: Second.

CHAIRMAN SHEAHAN: Any discussion?

(No response.)
CHAIRMAN SHEAHAN: All those in favor say aye.

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed to say no.

(No response.)

CHAIRMAN SHEAHAN: Motion carries.

Let's have a motion then to -- we have had a motion to amend the initiating Order. Let's have a motion to adopt the Order as amended.

COMMISSIONER DEL VALLE: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER McCabe: Second.

CHAIRMAN SHEAHAN: Any further discussion?

COMMISSIONER McCabe: This is Commissioner McCabe. I would just note that in addition to the second letter, this would also include any future letters.

CHAIRMAN SHEAHAN: Correct. That's my understanding as well.

MR. BEYERS: Yes.

CHAIRMAN SHEAHAN: Great.

All those in favor say aye.

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed say no.
CHAIRMAN SHEAHAN: Motion carries.

Thank you.

Moving on to the Telecommunications Agenda.

Item T-1 is an Application to provide cable service in the City of Taylorville.

Is there an objection to approving the Application?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is entered.

Item 2 is an Application to Operate as a 911 System Provider.

Are there any objections to entering the proposed Order?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Items 3 and 4 are Petitions for Cancelation of Certificates.

Is there any objection to considering these items together and entering the proposed Orders?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders
Items T-5 through 8 are Petitions to Modify 911 System Providers.

Is there any objection to considering these items together and entering the proposed Orders?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders are entered.

Items T-9 through 14 are Petitions for Confidential Treatment of various reports.

Are there any objections to considering these items together and entering the proposed Orders?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders are entered.

Items T-15, 16, and 17 are Joint Petitions for amendments to interconnection agreements.

Are there any objections to considering these items together and entering the proposed Orders?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders are entered.
T-18 and 19 are show-cause proceedings concerning failure to file required reports under WETSA.

Are there any objections to considering these items together and granting the Motions to Dismiss?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the motions are granted.

Moving on to our Water Agenda. Item 1 is a filing to consolidate the Chicago Metro District. Are there any objections to not suspending the filing?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the filing is not suspended.

Item 2 is Aqua Illinois' proposed increase in water rates. The Commission has already granted the party's request for Oral Argument.

Is there a motion to deny Staff's Motion for Leave to file a corrected brief on exceptions?

COMMISSIONER MAYE: So moved.

COMMISSIONER McCABE: Second.
CHAIRMAN SHEAHAN: Is there any discussion?

(No response.)

CHAIRMAN SHEAHAN: All those in favor say aye.

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed say no.

(No response.)

CHAIRMAN SHEAHAN: Motion carries.

The remainder of this item will be held for disposition at a future Commission proceeding.

Item W-3 will also be held at a future meeting for consideration.

Item W-4 is a Motion to Dismiss a consumer complaint.

Are there any objections to granting the Motion to Dismiss?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the motion is granted.

We have got a miscellaneous section of our agenda --

COMMISSIONER DEL VALLE: Mr. Chairman.

CHAIRMAN SHEAHAN: Yes, sir.

COMMISSIONER DEL VALLE: Could we go back to
CHAIRMAN SHEAHAN: Sure.

COMMISSIONER DEL VALLE: That's the Nunda --

CHAIRMAN SHEAHAN: Nunda.

COMMISSIONER DEL VALLE: -- utility complaint.

There was a concern expressed about Nunda refusing to or not appearing at the hearings. And I think that it's important that we convey a strong message that this is not acceptable behavior on the part of any utility to ignore these complaints. Even though they're, in this case, on the winning side, I think it's important to send that message that they should respond. At least return phone calls.

CHAIRMAN SHEAHAN: Thank you, Commissioner.

We'll make sure that that message is conveyed in a formal way.

Under Miscellaneous, we have one miscellaneous item on today's agenda. Item M-1 is our proceeding to approve the Illinois Statewide Technical Reference Manual for Energy Efficiency.

Are there any objections to entering the Order to initiate a proceeding?

(No response.)
CHAIRMAN SHEAHAN: Hearing none, the Order is entered.

Under Petitions for Rehearing, Item PR-1 is North Shore Gas and Peoples Gas proposed general rate increase.

Is there a motion to deny the City of Chicago and CUB's petition?

COMMISSIONER MAYE: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER McCABE: Second.

CHAIRMAN SHEAHAN: Any discussion?

(No response.)

CHAIRMAN SHEAHAN: All those in favor say aye.

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed say no.

(No response.)

CHAIRMAN SHEAHAN: Motion carries.

Is there a motion to deny the AG's petition in the same case?

COMMISSIONER McCABE: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER MAYE: Second.

COMMISSIONER DEL VALLE: Mr. Chairman, I
need to record as no -- or yes on --

CHAIRMAN SHEAHAN: Okay. The motion was to deny.

COMMISSIONER DEL VALLE: No on denial.

CHAIRMAN SHEAHAN: So the record will reflect that on the motion to deny the City of Chicago and CUB's petition, Commissioner del Valle voted no.

The motion to deny passes 3 to 1.

We're prepared to take a vote on the second motion to deny.

All those in favor say aye.

Aye.

COMMISSIONER McCABE: Aye.

COMMISSIONER MAYE: Aye.

CHAIRMAN SHEAHAN: Opposed say no.

COMMISSIONER DEL VALLE: No.

CHAIRMAN SHEAHAN: The motion passes 3 to 1.

Item PR-2 is Mary Weathersby's complaint against AT&T.

Is there a motion to deny the Petition for Rehearing?

COMMISSIONER McCABE: So moved.

CHAIRMAN SHEAHAN: Is there a second?
COMMISSIONER MAYE: Second.

CHAIRMAN SHEAHAN: Any discussion?

(No response.)

CHAIRMAN SHEAHAN: All those in favor say aye.

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed say no.

(No response.)

CHAIRMAN SHEAHAN: Motion carries.

Our final section -- first section of other business on today's agenda is our "Fix-a-Leak Week" Resolution.

Commissioner Maye, would you like to introduce this?

COMMISSIONER MAYE: Yes. Thank you, Mr. Chairman.

In 2006, U.S. EPA developed its WaterSense program, which seeks to build partnerships with various stakeholders over the issue of water conservation and efficiency. The program aims to coordinate groups to promote the value of water efficiency, provide consumers with easy ways to conserve, and encourage innovation in manufacturing.

As you know, this Commission and others
around the country are dealing with our water infrastructure needs. Obviously, a large part of that will be the investment that public and private water companies will need to make in the future. But another aspect are the efforts we undertake now to use water more efficiently to reduce demands so that our infrastructure needs may not be as great.

Another important factor in water conservation is the nexus water has with energy usage. The Alliance for Water Efficiency estimates that in the average home, heating water accounts for 15 percent of the total household energy usage. Decreasing water usage through more efficient appliances and reduced water loss measures clearly have a potential to reduce electric demand, which can save money and resources.

One essential element of water conversation is raising public awareness about the value of water and the ways that water can be used more efficiently. The U.S. EPA estimates that the amount of water leaked from U.S. homes exceeds more than 1 trillion gallons per year. This is equal to the annual water usage of Los Angeles, Miami, and Chicago combined.

Here are a few more facts from the EPA that
shed light on just how much water leaks out of our systems. Leaks can account for, on average, 10,000 gallons of water wasted in the home every year. Ten percent of homes have leaks that waste 90 gallons or more per day. The most common types of household leaks are easily correctable, like dripping faucets, leaking toilet flappers, and leaking showerheads. And a leaky faucet that drips at one drip per second can waste more than 3,000 gallons per year. An additional fact that most of you may not know is that it takes 21 billion gallons of water to produce electricity each year.

So what can we do as consumers to stop or prevent water loss from leaks? Well, the good news is that most of the remedies are fairly simple and inexpensive. Do a check of your water system at least once each year. Take a look at your winter water usage. If a family of four is using more than 12,000 gallons a month in the winter, then it's likely there could be a leak. Check your water meter before and after a two-hour period when no water is being used. If the meter does not read exactly the same, then you most likely have a leak. More information can be found on the U.S. EPA's
WaterSense website.

For the foregoing reasons I mentioned, we have drafted a Resolution stating that the Illinois Commerce Commission supports the week of March 16th through the 22nd as the seventh annual "Fix-a-Leak Week." And we do encourage all customers and businesses to check their water systems for leaks.

Mr. Chairman, Commissioners, I do move for the Commission to adopt the Resolution that I will read.

CHAIRMAN SHEAHAN: Is there a --

COMMISSIONER MAYE: Whereas --

CHAIRMAN SHEAHAN: I am sorry.

COMMISSIONER MAYE: Would you like me to read the Resolution?

CHAIRMAN SHEAHAN: Sure.

COMMISSIONER MAYE: WHEREAS, water is a vital public resource and is essential to healthy lives and the environment; and

WHEREAS, the U.S. EPA estimates that 10 percent of the homes have leaks that waste 90 gallons of water or more per day; and

WHEREAS, the average household's leaks can account for more than 10,000 gallons of water every
WHEREAS, the Illinois Commerce Commission is uniquely situated to encourage the adoption of programs and offering of products that will promote water efficiency and reduce the amount of electricity used by water treatment facilities; and

WHEREAS, the U.S. EPA launched the WaterSense initiative to make it easy for American consumers and businesses to save water and protect the environment by establishing water efficiency standards; and

WHEREAS, the EPA's WaterSense program announced its seventh annual energy efficiency initiative: "Fix-a-Leak Week," March 16 through the 22, 2015; and

WHEREAS, fixing easily corrected household water leaks can save homeowners more than 10 percent on their water bills.

NOW, THEREFORE, BE IT RESOLVED, that the Illinois Commerce Commission supports the week of March 16th through the 22nd, 2015, as "Fix-a-Leak Week" and encourages all consumers and businesses to check their plumbing and irrigation systems annually to reduce unnecessary water leakage.
Chairman and Commissioners, I move that the Commission adopt the aforementioned Resolution and do ask for your support. Thank you.

CHAIRMAN SHEAHAN: Thank you.

Is there a second?

COMMISSIONER McCabe: Second.

CHAIRMAN SHEAHAN: Is there any discussion?

(No response.)

CHAIRMAN SHEAHAN: All those in favor say aye.

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed say no.

(No response.)

CHAIRMAN SHEAHAN: Motion carries.

Thank you, Commissioner Maye.

COMMISSIONER MAYE: Thank you, Mr. Chairman.

CHAIRMAN SHEAHAN: The next item we have is approval of the Standard Product Benchmark Report from the IPA's procurement administrator for its March 2015 procurement for Ameren and ComEd.

Is there a motion to approve the report?

COMMISSIONER McCabe: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER MAYE: Second.
CHAIRMAN SHEAHAN: Any discussion?
(No response.)
CHAIRMAN SHEAHAN: All those in favor say aye.
(Chorus of ayes.)
CHAIRMAN SHEAHAN: Opposed say no.
(No response.)
CHAIRMAN SHEAHAN: Motion carries 4 to 0.
Commissioner del Valle has asked for leave of the Commission to make a statement concerning LIHEAP, and that request is granted.
Commissioner del Valle.
COMMISSIONER DEL VALLE: Thank you, Mr. Chairman. I appreciate the courtesy and the opportunity to make a brief statement about something I feel strongly about.
On April 2, 2014, this Commission voted unanimously to adopt a Resolution urging our President to remove from his federal budget proposal an 18 percent cut to the Energy Assistance Program for low-income households.
As a Commissioner, I wanted to place on our agenda a timely Resolution similarly urging both the General Assembly and the Governor to protect our
Supplemental Low-Income Energy Assistance Funds.

However, my request was denied. This year, in Illinois, we have a budget proposal that calls for cuts of $165 million, or 33 percent, of ratepayer contributions to this fund. Contributions collected in the public trust for the exclusive purpose of aiding those in need. The press is reporting that the Governor will be asking for a legislative fix to permanently divert these dollars to the General Revenue Fund. In addition, just last week, the Senate proposed a bill that would sweep a total of $15 million from the Supplemental Low-Income Assistance Fund. This program should not be subject to cuts, in my opinion.

Even without these cuts, DCEO estimates that in 2015, the assistance programs would only help 35 percent of eligible families in Illinois. Following a recession, the slow recovery, and two brutal winters, any cuts to this program further reducing our state's ability to help our residents in dire need is an unconscionable proposal by the State Senate and Administration, and a devastating blow to these households.

The Low-Income Energy Assistance Program is
the main federal program that helps low-income households, people with special needs, and seniors with their energy bills. It provides vital assistance during the cold winters and hot summer months. And the Commission was enthusiastic in adopting a Resolution opposing a further 18 percent cut after the federal program had already had its appropriations go from $5.1 billion in 2010 to $3.5 billion in 2014.

In Illinois, the Supplemental Low-Income Energy Assistance Fund directs gas and utilities to assess a monthly surcharge from ratepayers for the sole purpose of supplementing the LIHEAP fund, increasing the available LIHEAP by a total of 50 percent, to provide vital assistance to a greater number of Illinois households in need.

And these people are in need. 1.8 million of our residents live in poverty and 20.7 percent of our children live at or below the poverty level. DCEO estimated that 926,000 Illinois households will be eligible for LIHEAP assistance in 2015. And the agency projects that even without these cuts, only 35 percent of them will receive assistance.

Here at the Commission, we hear from
individuals who are facing these cuts. After
April 1st of every year, our Consumer Services
Division sees dramatic increases in consumer
complaints resulting from termination of service for
nonpayment after the annual lifting of the limitation
placed on terminations in the winter months.

I am deeply disappointed that my Resolution
will not be placed on the agenda. This past Monday,
however, I sent a letter on my own behalf to members
of the General Assembly and to the Governor urging
them to protect the ratepayer contributions collected
for the purpose of aiding those residents in need.
Given the two consecutive harsh winters our residents
have had to endure, these funds are needed now more
than ever.

Thank you, Mr. Chairman, for the courtesy.

CHAIRMAN SHEAHAN: Thank you, Commissioner,
for those remarks on an important issue.

Commissioners, do we have any other
business?

(No response.)

CHAIRMAN SHEAHAN: Judge Wallace, do we have
any other matters?

JUDGE WALLACE: No. That's all,
Mr. Chairman.

CHAIRMAN SHEAHAN: Then we're adjourned.

Thank you very much.

BENCH SESSION CONCLUDED.
CERTIFICATE OF REPORTER

I, Angela C. Turner, a Certified Shorthand Reporter within and for the State of Illinois, do hereby certify that the meeting aforementioned was held on the time and in the place previously described.

IN WITNESS WHEREOF, I have hereunto set my hand and seal.

__________________________
Angela C. Turner
IL CSR #084-004122