BEFORE THE

ILLINOIS COMMERCE COMMISSION

PUBLIC UTILITY REGULAR OPEN MEETING

Wednesday, March 21, 2018

Chicago, Illinois

Met pursuant to notice at 10:30 A.M.,
at 160 North LaSalle Street,
Chicago, Illinois.

PRESENT:

BRIEN J. SHEAHAN, Chairman

SADZI M. OLIVA, Commissioner

JOHN R. ROSALES, Commissioner

D. ETHAN KIMBREL, Acting Commissioner

ANASTASIA PALIVOS, Acting Commissioner

SULLIVAN REPORTING COMPANY,
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LICENSE NO. 84-003896
CHAIRMAN SHEAHAN: Pursuant to the Open Meetings Act, I call the March 21st, 2018, Regular Open Meeting to order.

CHAIRMAN SHEAHAN: Are we ready in Springfield?

CHIEF CLERK: Yes we are.

Commissioners Rosales and Oliva and Acting Commissioners Kimbrel and Palivos are with me in Chicago. We have a quorum.

We have four requests to speak this morning. As a reminder, you'll have three minutes. We'll let you know when you have two minutes left, one minute, and when your time has expired.

Please be aware that while the Commission affords the public an opportunity to comment, we will not respond directly to your comments. Your comments will be made part of the record. However, we cannot rely on them to resolve disputed issues of fact in contested cases.

Our first speaker is Shannon Fulton. Ms. Fulton, have a seat. Make sure the mic is on.
MS. FULTON: Can you hear me okay?

ACTING COMMISSIONER KIMBREL: Yes.

MS. FULTON: Good morning. Thank you for this opportunity to address the Commission.

My name is Shannon Fulton. I am director of commercial solar development for StraightUp Solar, opened its office in Bloomington, Illinois, in 2015, and was board president of the Illinois Solar Energy Association prior to and through the 2016 passage of the Future Energy Jobs Act or FEJA.

I have lived my entire life in central Illinois, and my home is situated in a corn belt energy cooperative service area, and I'm a recipient of abstract payments from the Illinois Power Agency for the solar energy production from my solar array in a corn belt energy co-op.

Although the solar industry is currently addressing additional important concerns regarding implementation of FEJA, I traveled from our office in Bloomington this morning to provide what I hope will be helpful insight to the Commission as to perhaps unforeseen implications of excluding
Illinoisans and Illinois businesses in energy cooperatives and municipal utility service territories from accessing our state's most monumental solar energy incentive and job-creating opportunity.

FEJA's clear intent is to provide equal access for all of Illinois to its programs and associated economic development and environmental benefits. This exclusion effectively eliminates, from such benefits, 25 percent of electricity users and their communities in central and southern Illinois, and this effect is concentrated in the most economically challenged areas in southern Illinois which is dominated by cooperatives and municipal utilities and the higher costs associated with energy in these -- with these -- from these entities. There's no other choice for energy delivery for these people.

Delivery of Renewable Energy Credit or REC is, by design, the core method by which goals of FEJA will be met. A REC is a REC Com Ed has said up until this late hour, and it has been agreeable
thus far, for example, for a REC to be delivered to
them by an out-of-state wind farm. To me, it's REC
delivery requirement.

So likewise and even more so, Com Ed
should also accept REC delivery from a homeowner
living in an energy co-op or a municipal utility
territory in Illinois.

StraightUp Solar is currently the largest
residential installer operating in Illinois. And
we only operate in central and southern Illinois.

We expect that this exclusion of co-op and
muni customers will mean a 33 to 50 percent drop in
our residential sales in 2018 or a loss of about
two to $3 million in revenue.

Though we added ten employees in the last
12 months because of the expected uptick in the
market from the programs associated with FEJA, if
this recommendation to exclude such customers
stands, we will likely hire six to eight fewer
people this year than we would have otherwise.

Thank you for listening.

CHAIRMAN SHEAHAH: Thank you.
Our next speaker is Marilee White.

CHIEF CLERK: Chairman, she's here in Springfield.

CHAIRMAN SHEAHAN: Okay. Ms. White, go ahead when you're ready.

MS. WHITE: (Inaudible.)

CHAIRMAN SHEAHAN: Ms. White, I'm sorry to interrupt you. Can you speak a little bit more clearly into the microphone; just a little bit more loudly?

MS. WHITE: Long an advocate of solar and wind energy, I am proud to say that both my home and my church are in the process of going solar. I am on the task force at both facilities.

I live in a Mennonite residential community in Normal, Illinois. We are on the same property as a Mennonite church, and the residential community and church are working together towards solar energy.

We receive our electricity from Ameren, but my church, First Presbyterian Church of Normal, is about three miles east of there and we get this
electricity from corn belt electric co-ops.

Across the street further east is another church, First Baptist, and they receive their electricity from Ameren.

This type of patchwork between Ameren and the co-ops is not uncommon where I live. The First Baptist Church is eligible for benefits through the REC incentives of FEJA, but my church is not just because of where we get our electricity. Does this make sense? I don't think so. Was it the intention of FEJA? Surely not.

We are working steadily on solar at the Mennonite church and the residential community, but at First Presbyterian Church, we are on hold because of the uncertainty of the cost of this project.

On a broader scale, nearly a quarter of central and southern Illinois residents are serviced by municipal and rural electric cooperatives. Many have no choice where they get their electricity.

One of the most beautiful parts of FEJA is that it addresses environment justice for
economically disadvantaged communities which certainly include parts of central and much of southern Illinois.

Low income mission work is a central tenet of the First Presbyterian Church, and our church supports many neighborhood programs that benefit economically disadvantaged residents in the Bloomington-Normal community. Should we not extend solar for all benefits to the areas of FEJA that were intended to be their beneficiaries?

All communities in Illinois, regardless of service providers, should have fair and equitable access to the clean energy benefits made available under FEJA. I hope that you will make that happen.

Thank you for giving me this opportunity to speak.

CHAIRMAN SHEAHAN: Thank you, ma'am.

Our next speaker is Marcella Usery Woodson.

CHIEF CLERK: Marcella is unable to join us this morning.

CHAIRMAN SHEAHAN: Okay. Our final
speaker is Dr. Everton Walters.

CHIEF CLERK: Chairman, I think we have one more also, Jennifer Fertaly who's approved as well.

CHAIRMAN SHEAHAN: Oh, I'm sorry. That's not on my list. If she's there, why don't we hear from her? Wait. I apologize. Hang on one minute. We have Dr. Walters with us.

Sir, why don't you proceed? And then we'll hear from the next speaker.

DR. WALTERS: Good morning, ladies and gentlemen. My name is Dr. Everton Walters, a member of the ISEA and also the president and founder of WCP Solar located in Naperville. Thank you for the opportunity to address you today.

While the industry -- solar industry has other concerns regarding implementation of the Future New Job Acts, I lend my voice today to the grave concern of the industry regarding the implementation of this act. This relates to the exclusion of key populations from the program, including municipalities, rural electric co-ops,
and Mount Carmel service territories.

If FEJA is approved with this exclusion, it will have potentially ruinous consequences for more than 50 municipalities and one quarter of southern and central Illinois.

WCP has been in operation within the city of Naperville for 11 years and has developed valid relationships within the city. Currently there's over five solar installations in the city that are under threat from this exclusion. In addition, several critics competed within the last year for solar for the significant disadvantaged.

Over the years, the Illinois Power Agency incentive programs have been partly funded by repairs of major utilities within Illinois. These moneys have funded rebates and grants for the entire state from there.

Under this program, the funds collected by utilities were sent to the treasury department who then, in turn, based on instructions from the IPA, distributed the funds to the project owners -- approved project owners.
Under FEJA, the major utilities is not tasked with that responsibility. At no time were there any issues as to which population within the state would be included or excluded from these incentives.

It is our opinion at WCP Solar and supported by the ISEA that FEJA is a statewide legislation and was never intended to pick winners and losers in the solar industry which is exactly what this new proposal effectively does. Only projects located in Com Ed or Ameren territories would qualify.

Which Illinois resident or business contributes to the funding of IPA incentive program was never a factor through the history of the process of incentives through the state and should not be a metric in the ISEA decision-making feature. Clean up our state through renewable energy projects and maximizing solar throughout the entire state, yes, the entire state, for us.

Thank you very much for your time.

CHAIRMAN SHEAHAH: Thank you, sir.
All right. We have one final speaker in Springfield. If you would state your name for the record, you may proceed.

MS. FERTALY: Yes, sir. My name is Jennifer Fertaly. And I'd like to thank the Commission for having the opportunity to speak today.

I am the director of a small non-for-profit in Carbondale, Illinois -- in southern Illinois, and a lot of the work of the center revolves around economically disadvantaged families and community members and folks who come in from prisons. So when we got engaged in the conversation about the Future Energy Jobs Act, it meant a lot of things for the center and for the folks that we seek to serve which is not just in Carbondale but the Route 13 corridor and extending into the southernmost parts of the southern Illinois corridor.

With this proposal, the things that we wish to do to create jobs, to create training opportunities for folks seeking meaningful
employment in the work force, so much of southern Illinois is under cooperative utilities that it really presents a struggle with what we're trying to do.

Harrisburg in Saline County was one of the most devastated counties following the collapse of the coal industry and coal job loss. Clean energy jobs brought a tremendous potential for economic development in industry, and with this potential proposal for those benefits, the abstract benefit would be removed. It kind of undermines a lot of what we can do to create -- to create beneficial work within the community to bring in solar energy and to train people to work.

I respectfully urge the Commission to allow the municipal renewal electric cooperative utility customers to participate fully in the Future Energy Jobs Act as the very purpose we intend to seek out is to ensure the fair, equitable, and geographically dispersed access of all the benefits of clean energy across all the communities in Illinois.
Thank you.

CHAIRMAN SHEAHAN: Thank you.

That concludes our public comments.
We'll move on to our Public Utilities agenda.

There are no edits to the Minutes of our February 20th Special Open Meeting. There are edits to the Minutes of our February 28th Regular Open Meeting.

Are there any objections to approving the Minutes?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Minutes are approved.

Item E-1 concerns Ameren's revisions that options customers will have when requesting system expansions.

Are there any objections to not suspending the filing?

(No response.)

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

Item E-2 concerns MidAmerican's filing to create a new rider to reflect state and federal tax rate changes.
Are there any objections to not suspending the filing?

(No response.)

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

Items E-3 and 4 concern consumer complaints against Ameren and Com Ed respectively.

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

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Joint Motions are granted.

Item E-5 concerns Krause's Application for Authority to Install and Maintain and Repair Electric Vehicle Charging Stations.

Are there any objections to approving the Proposed Order approving the application?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Items E-6 through 12 concern applications
for authority to install Distributed Generation Facilities.

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

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders are approved.

Item E-13 concerns Maverick Energy Consulting's Application for Authority to operate as an Agent, Broker, or Consultant.

Are there any objections to approving the Proposed Order approving the application?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item E-14 concerns HSBC Technology & Services' Petition to cancel its authority to operate as an Alternative Retail Electric Supplier.

Are there any objections to approving the Proposed Order approving the petition?

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

Item E-15 concerns Ameren's motion to extend the deadline for construction of a transmission line in McLean County.

Are there any objections to granting the Motion?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Motion is granted.

Items E-16 and 17 concern petitions for the confidential treatment of annual reports.

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

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Items E-18 through E-101 concern Applications for Authority to install Energy Efficiency Measures.

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

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders are approved.

Moving on to our Gas agenda, item G-1 concerns Ameren's filing to revise one of the options consumers have when requesting system expansions.

Are there any objections to not suspending the filing?

(No response.)

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

Item G-2 concerns MidAmerican's filing to create a new rider to reflect state and federal tax rate changes.

Are there any objections to not suspending the filing?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the filing is not suspended.
Item G-3 concerns Verde Energy's Petition to Cancel its authority to operate as an Alternative Gas Supplier.

Are there any objections to approving the Proposed Order approving the petition?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item G-4 concerns XOOM Energy's application seeking confidential treatment of certain financial reports.

Are there any objections to approving the Proposed Order approving the application?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Items G-5 and 6 concern applications for authority to operate as alternative gas suppliers.

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

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

Orders are approved.

Items T-1 through 5 concern petitions for
cancellation of authority to provide various
telecommunications services.

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

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the

Orders are approved.

Items T-6 through 9 concern various
petitions for the confidential treatment of annual
reports.

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

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the

Orders are approved.

Under our Water and Sewer agenda,

item W-1 concerns Illinois-American's application
to purchase assets and operate facilities in the city of Farmington.

Are there any objections to approving the Proposed Order approving the applications?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item W-2 concerns Aqua Illinois' Proposed Rate Increase.

Are there any objections to approving the Amendatory Order correcting numerical errors?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Amendatory Order is approved.

Item W-3 concerns a complaint against Illinois-American.

Are there any objections to affirming the ALJ's decision and denying the Petition for Interlocutory Review?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the ALJ's decision is affirmed and the Petition for
Interlocutory Review is denied.

Under Petitions for Rehearing, item PR-1 concerns a consumer complaint against Ameren.

Are there any objections to denying the Petition for Rehearing?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Petition is denied.

Item PR-2 concerns NICOR's proposed rate increase.

Are there any objections to denying all of the Petitions for rehearing?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Petitions are denied.

We have four items of other business. The first item concerns the March 2018 Solicitation of Bids to Sell Renewable Energy Credits from New Solar and Brownfield PV Projects to Ameren, Com Ed, and MidAmerican.

Are there any objections to approving the Procurement Administrator's Recommendations on the
Selection of Winning Bids?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Procurement Administrator's Recommendations are approved.

The second item concerns the April 2018 Solicitation of Bids to Sell Zonal Resource Credits to Ameren.

Are there any objections to approving the Procurement Administrator's Benchmark Methodology?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Procurement Administrator's Benchmark Methodology is approved.

The third item concerns the April 2018 Solicitation of Bids to Sell Standard Energy Products to Ameren, Com Ed, and MidAmerican.

Are there any objections to approving the Procurement Administrator's Benchmark Methodology?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Procurement Administrator's Benchmark Methodology
is approved.

The last item we have concerns FERC docket EL 16-49. We have Christine Ericson to present this item.

Christine, good morning.

MS. ERICSON: Good morning, Mr. Chairman and Commissioners.

So before you is a matter that's related to a complaint case of FERC. You referenced docket EL 16-49.

In this case some power suppliers are seeking to expand the Minimum Offer Price Rule, or the MOPR, mitigation mechanism in PJM's tariff.

They are seeking to prevent an artificial suppression of prices in the PJM reliability pricing model capacity market by below-cost offers for existing resources whose continued operation is being subsidized by state-approved, out-of-market payments similar to the Zero Emissions Credit, or ZEC, payments here in Illinois.

Before you is the answer of the Illinois Commerce Commission to a Motion to Lodge filed by
Electric Power Supply Association, or EPSA, on March 14th.

        EPSA seeks to lodge as evidence the PSEG form 8-K that they filed with the Securities and Exchange Commission on March 2nd.

        EPSA states that PSEG's form 8-K illustrates the way in which PSEG and other utilities are pressuring state legislatures to subsidize existing generation thereby eroding confidence in the wholesale markets of FERC.

        The ICC answer opposes the motion and explains that the public form is a routine business matter regarding discretionary plant investments. It's irrelevant and doesn't substantiate claims of industry or legislative scheming to disrupt markets as EPSA would have FERC believe.

        So Staff is seeking approval is due file the answer -- the answers to March 29th.

        CHAIRMAN SHEAHAN: Great. Thank you.

        Any questions for Christine?

        (No response.)

        CHAIRMAN SHEAHAN: Okay. Are there any
objections to approving the Commission's answer to
the Motion to Lodge?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the answer
is approved.

MS. ERICSON: Thank you.

CHAIRMAN SHEAHAN: Thank you.

Commissioner Oliva, I believe you have
one announcement?

COMMISSIONER OLIVA: Yes. I do have
one announcement.

This week March 19th through 25th, 2018,
is the ninth anniversary of National Fix a Leak
Week. The Commission would like to thank the U.S.
Environmental Protection Agency for its WaterSense
initiative which has brought national awareness to
water efficiency and conservation since 2008.

Ten percent of homes have leaks that waste
90 gallons or more per day according to the EPA,
yet most of these leaks are inexpensive to fix.

The Illinois Commerce Commission endorses
this EPA initiative by also recognizing this as Fix
a Leak Week in Illinois. Along with the National Association of Regulatory Utility Commissioners, the ICC encourages all Illinois residents to learn more about the simple fixes that can be done today that will cost little or no money, yet could save the average household from paying for more than 10,000 gallons of wasted water annually.

For more information, please visit the Illinois Commerce Commission website.

CHAIRMAN SHEAHAN: Thank you, Commissioner.

Obviously the ICC has a deep, deep commitment to diversity, and so we can also recognize that it's Women's History Month this month.

Judge Teague Kingsley, do you have any other matters to bring before the Commission this morning?

JUDGE TEAGUE KINGSLEY: No, Mr. Chairman.

CHAIRMAN SHEAHAN: All right.

Commissioners, do any of you have any other matters to bring before the Commission?

COMMISSIONER OLIVA: Just one quick one.
I just wanted to introduce my new legal and policy advisor Janel Haretoun. She previously served as an assistant general counsel and FOIA officer at the Illinois Department of Financial and Professional Regulation where she advised the director, staff, and professional boards on legal and policy matters.

Prior to that, Janel held several positions at the IDFPR, including dental prosecutor, labor law clerk to the chief ALJ, and lastly law clerk for health-related prosecution.

She received her law degree from the John Marshall Law School.

Welcome, Janel.

COMMISSIONER ROSALES: Welcome aboard.
CHAIRMAN SHEAHAN: If there's nothing else, we stand adjourned.

(No response.)

CHAIRMAN SHEAHAN: Thank you.
(Whereupon, the above matter was adjourned.)