BEFORE THE
ILLINOIS COMMERCE COMMISSION

PUBLIC UTILITY BENCH SESSION

Chicago, Illinois
May, 5, 2010

Met, pursuant to notice, at 10:30 a.m.

BEFORE:

MR. MANUEL FLORES, Chairman
MS. LULA M. FORD, Commissioner
MS. ERIN M. O'CONNELL-DIAZ, Commissioner
MR. SHERMAN J. ELLIOTT, Commissioner
MR. JOHN T. COLGAN, Commissioner (telephonically)

SULLIVAN REPORTING COMPANY, by
Auhdikiam Carney, CSR
License No. 084-004658
CHAIRMAN FLORES: Is everything ready in Springfield.

COMMISSIONER COLGAN: We're good to go here.

CHAIRMAN FLORES: Good morning Commissioner.

COMMISSIONER COLGAN: Good morning.

CHAIRMAN FLORES: Pursuant to the provisions of the Illinois Open Meetings act, I now convene a regularly scheduled bench session of the Illinois Commerce Commission. With me in Chicago are Commissioners Ford, O'Connell-Diaz and Elliot. And with us in Springfield is Acting Commissioner Colgan, I am Acting Chairman Flores. We have a quorum.

Before moving into the agenda, according to Section 1700.10 of the Illinois Administrative Code, this is the time that we allow for members of public to address the Commission. Members of the public wishing to address the Commission must notify the Chief Clerk's Office at least 24 hours prior to the bench session. According to the Chief Clerk's Office we have no requests to speak at today's bench session.

Turning now to the Public Utility
Agenda, there are three sets of minutes to approve.
We will start with the approval of minutes from the April 6th Policy Committee Meeting. I understand that amendments have been forwarded.

Is there a motion to amend the minutes?

COMMISSIONER FORD: So moved.
CHAIRMAN FLORES: Is there a second?
COMMISSIONER ELLIOTT: Second.
CHAIRMAN FLORES: Its been moved and seconded.
    All in favor say "aye."

(Chorus of ayes.)
Any opposed?
(No response.)
The vote is 5-0 amending the minutes.
Is there a motion to approve the minutes as amended?

COMMISSIONER FORD: So moved.
CHAIRMAN FLORES: Is there a second?
COMMISSIONER ELLIOTT: Second.
CHAIRMAN FLORES: Its been moved and seconded.
All in favor say "aye."
(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 approving the minutes from April 7th as amended.

With respect to minutes for the April 7th Bench Session, I understand the minutes have been forward.

Is there a motion to amend the minutes?

COMMISSIONER ELLIOTT: So moved.

CHAIRMAN FLORES: I'll make a second.

Its been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 amending the minutes.

Is there a motion to approve the minutes as amended?

COMMISSIONER FORD: So moved.

CHAIRMAN FLORES: Is there a second?
COMMISSIONER O'CONNELL-DIAZ: Second.

CHAIRMAN FLORES: It's been moved and seconded. All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 approving the minutes for April 7th as amended.

We also have minutes to approve from the April 13th Special Open Meeting. I understand the amendments have been forwarded.

Is there a motion to amend the minutes?

COMMISSIONER FORD: So moved.

CHAIRMAN FLORES: Is there second?

COMMISSIONER ELLIOTT: Seconded.

CHAIRMAN FLORES: It's been moved and seconded. All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 amending the minutes.
Is there a motion to approve the minutes as amended?

COMMISSIONER ELLIOTT: So moved.

CHAIRMAN FLORES: Is there a second?

COMMISSIONER FORD: Second.

CHAIRMAN FLORES: Any opposed?

(No response.)

Hearing none, the vote is 5-0 approving the minutes for April 13th as amended.

Moving on to the Electric Agenda.

Items E-1 through E-3 will be taken together. These items involve revisions to portions of the Ameren Illinois Utility's Rider TS tariff. Staff recommends not suspending or investigating the filings.

Is there a motion to not suspend the filings?

COMMISSIONER ELLIOTT: So moved.

CHAIRMAN FLORES: Is there a second?

COMMISSIONER FORD: Second.

CHAIRMAN FLORES: Its been moved and seconded.

All in favor say "aye."
(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0, the filings will not be suspended. We will use this 5-0 vote for the remainder of the Public Utility Agenda unless otherwise noted.

Item E-4 is Docket No. 09-0331. This is Rhonda Schilling's Compliant as to billing and charges against ComEd. This item will be held for disposition at a future hearing.

Item E-5 is Docket No. 09-0458. This is Tad and Paige Whitten's Complaint as to billing and charges against AmerenIP. The parties have apparently resolved the matter and have brought a Joint Motion to Dismiss.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Joint Motion to Dismiss is granted.
Item E-6 is Docket No. 10-0030. This is AmerenIP’s verified Petition for Approval of a Territorial Service Agreement with a Municipality for the Purchase and Sale of Claude Bailey’s Subdivision in Princeton, Illinois pursuant to Section 11-117-6(d) of the Illinois Municipal Code. ALJ Tapia recommends entry of an Order recommending approval of the Territorial Agreement.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered and the Agreement is approved.

Item E-7 is Docket No. 10-0166. This constitutes Spark Energy’s Petition for relief to protect its Annual Kilowatt-Hour Report from disclosure. ALJ Tapia recommends entry of an Amendatory Order in the matter to correct an item from Paragraph 7 of the Order we originally entered on March 24th.

Is there any discussion?
(No response.)

Any objections?

(No response.)

Hearing none, the Amendatory Order is approved.

Item E-8 is Docket No. 10-0168. This is Champion Energy's Application to Amend its Certified of Service Authority -- excuse me -- Application to Amend its Certificate of Service Authority. ALJ Yoder recommends entry of an Order granting the requested Certificate.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is approved.

Item E-9 is Docket No. 10-0171. This is National Utility Service's Petition for Confidential Treatment of its verified financial statements. ALJ Kimbrel recommends granting the Petition for Confidential Treatment for a period of two years.
Is there any discussion?
(No response.)
Any objections?
(No response.)
Hearing none, the Petition is granted.
E-10 is Docket No. 10-0209. This is Public Power & Utility of Illinois, LLC's Application for Certificate of Service Authority under Section 16-115 of the Public Utilities Act. After review, ALJ Yoder recommends entry of an Order denying the requested Certificate of Service Authority.
Is there any discussion?
(No response.)
Any objections?
(No response.)
Hearing none, the Order is entered and the petition is denied.
Item E-11 and E-12 will be taken together. These items are Petitions for Confidential and/or Proprietary Treatment from Exelon and Optimal Facility Management Solutions respectively. In each case the ALJ recommends entry of an Order granting
the petition.

Is there any discussion?

(No response.)

Any objections?

Hearing none, the Orders are entered and the Petitions are granted.

Item E-13 is Docket No. 10-0294. This concerns Corn Belt Energy Corporation and AmerenIP's Joint Petition for Approval of Amendments No. 12 to the Service Area Agreements dated October 21, 1970, and March 9th, 1973, between the parties. ALJ Tapia recommends entry of an Order granting the Petition.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Petition is granted.

Items E-14 and E-15 will be taken together. These Items concern filings for the Approval of an On-Bill Financing Program made pursuant to Section 16-111.7 of the Public Utilities Act. We have a request for oral argument across
these dockets and we're set to vote on these requests here today.

Is there any discussion?

(No response.)

Is there a motion to grant oral argument on these dockets?

COMMISSIONER FORD: So moved.

CHAIRMAN FLORES: I will second it.

Its moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 and oral argument is granted.

At the moment the Commission does not have a date set for oral argument. We will try to get that date and time as soon as possible. Also for the sake of efficiency, we're looking to consolidate these oral arguments with those concerning the other On-Bill Financing dockets as these issues are the same across all documents --
Also, I was indicating, for the sake of efficiency we're going to be consolidating --

These matters will be consolidated as matters that are being addressed are consistent with the matters that have been addressed in these cases.

So turning to Gas Item G-1, this is an Amendatory Order in Docket No. 08-0175. This item will be held.

Item G-2 is Docket No. 08-0626. This item concerns Illinois Gas Company's reconciliation of revenues collected under gas adjustment charges with actual costs prudently incurred. ALJ Tapia recommends entry of an Order approving the reconciliation.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered and the reconciliation is approved.
Item G-3 is Docket No. 09-0571. This is Ambit Illinois' Application for Certificate of Service Authority under Section 19-110 of the Public Utilities Act. The docket was reopened on April 7th and ALJ Sainsot now recommends entry of an Order granting confidential treatment to the company's logo.

Is there any discussion?
(No response.)

Any objections?
(No response.)

Hearing none, the Order is entered.

Item G-4 is Docket No. 10-0037. This concerns Illinois Gas Company's Petition pursuant to Section 7-101 of the Public Utilities Act seeking Authority to Enter a Service and Facilities Agreement in which an Affiliated Interest Exists. ALJ Albers recommends entry of an Order granting the requested relief.

Is there any discussion?
(No response.)

Any objections?
(No response.)

Hearing none, the Order is entered.

Item G-5 is Docket No. 10-0167. This is Ambit Energy's Petition for Confidential Treatment for one of its reports. ALJ Tapia recommends entry of an Order granting the Petition.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered.

Items G-6 and G-7 will be taken together. These items concern Approval of On-Bill Financing Programs made pursuant to Section 16-111.7 of the Public Utilities Act. Before us today are request for oral argument in the natural gas side of the On-Bill Financing dockets.

Is there any further discussions on these oral arguments requested?

(No response.)

Any objections to granting oral arguments once again?
Oral argument will be granted on these dockets, and as indicated earlier, consolidated with the oral arguments on the dockets on the electric side of the On-Bill Financing cases. We'll get a notice to this once a date and time for oral argument is set.

Moving on to Telecommunications.

T-1 concerns Illinois Bell Telephone Company's modification to its Business Local Calling Assurance product. Staff recommends not suspending or investigating the filings.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the filings will not be suspended or investigated.

Item T-2 through T-4 will be taken together. These items concern Applications for Certificate of Service Authority. In each case the ALJ recommends entry of an Order granting the
Certificate.

Is there any discussion?
(No response.)

Any objections?
(No response.)

Hearing none, the Orders are entered and the Certificates are granted.

Items T-5 and T-6 will be taken together. These items are compliant cases, and in both cases we have a Joint Motion to Dismiss filed after agreement was reached by the parties. In each case the ALJ recommends granting the Joint Motion.

Is there any discussion?
(No response.)

Any objections?
(No response.)

Hearing none, the Motions to Dismiss are granted.

Items T-7 through T-13 will be taken together. These items concern Petitions for the protection of confidential and/or proprietary information. In each case the ALJ recommends entry
of an Order granting the Petition.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Orders are entered and the petitions are granted.

Item T-14 is Docket No. 10-0245. This is Illinois Telecommunications Access Corporation's Petition for an annual line charge determination pursuant to 83 Illinois Administrative Code 755.500. ALJ Hilliard recommends entry of an Order granting the petition.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered and the Petition is Granted.

We now move to the Water and Sewer portion of today's agenda.

Item W-1 is Docket No. 09-0319, which
is Illinois-American Water Company's rate case. On the agenda today is the entry of an Amendatory Order which amends the Order we originally ordered in this case on April 13.

This Amendatory Order concerns Pages 48 through 49 of the April 13th Order and specifically replaces five paragraphs on the audit referenced therein with three new paragraphs.

Commissioner Elliott, is there anything you would like to say on this?

COMMISSIONER ELLIOTT: Thank you, Mr. Chairman. I believe the amendments clarify Staff's role in managing the audit and I believe that they do amend it in a positive fashion and provide the clarity for Staff and the company to go forward.

CHAIRMAN FLORES: Is there any further discussion?

(No response.)

Very well. Is there a motion to amend the Amendatory Order?

COMMISSIONER ELLIOTT: I'll move to make a
motion.

CHAIRMAN FLORES: I will second it.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

COMMISSIONER FORD: Nay.

COMMISSIONER O'CONNELL-DIAZ: Nay.

Very well. Let's take a roll call so the record is clear.

Commission Ford?

COMMISSIONER FORD: Nay.

CHAIRMAN FLORES: Commissioner O'Connell-Diaz?

COMMISSIONER O'CONNELL-DIAZ: Nay.

COMMISSIONER FLORES: Commissioner Elliott?

COMMISSIONER ELLIOTT: Aye.

CHAIRMAN FLORES: Acting Commissioner Colgan?

COMMISSIONER COLGAN: Aye.

CHAIRMAN FLORES: Acting Chairman Flores votes aye.

Let the record reflect the vote is 3-2 on the motion to enter the Amendatory Order.

Item W-2 is Docket No. 09-0369. This
is Aqua Illinois and Northern Illinois Investment Group's Petition for Approval of Proposed Reorganization and a Approval of Asset Purchase Agreement; Petition for Issuance of Certificate of Public Convenience and Necessity to Operate Water Production and Distribution System; and Approval of Rates and Accounting Entries.

ALJ Riley recommends that the Commission enter an Order granting the Certificate of Public Convenience and necessity.

Is there any discussion?

COMMISSIONER O'CONNELL-DIAZ: Chairman, I would just like to point out that I know we have a lot of discussions about municipally owned and privately owned companies and the differences in the rates and we hear that a lot in our arguments. And in this instance, it's quite clear that the regulated entities are going to provide service to the customers in this area at the least cost.

It's going to be less than what a municipality could provide services, so I just wanted to thank Judge Riley for going through that exercise
and making the determinations that is you did. This
does result in the consumers of this area getting the
best deal versus a municipal rate, which is something
that is read into many of the dockets that we have.

So thank you very much.

JUDGE RILEY: Sure.

CHAIRMAN FLORES: Is there any further
discussion on this matter?

(No response.)

I would just ask that we take another
roll call vote given that we have gone out of order
in the previous vote.

Commissioner Ford -- strike that.

Is there a motion to grant the Order?

COMMISSIONER O'CONNELL-DIAZ: So moved.

CHAIRMAN FLORES: Is there a second?

COMMISSIONER ELLIOTT: Second.

CHAIRMAN FLORES: Commissioner Ford?

COMMISSIONER FORD: Yes.

CHAIRMAN FLORES: Commissioner O'Connell-Diaz?

COMMISSIONER O'CONNELL-DIAZ: Aye.

CHAIRMAN FLORES: Commissioner Elliott?
COMMISSIONER ELLIOTT: Aye.

CHAIRMAN FLORES: Acting Commissioner Colgan?

COMMISSIONER COLGAN: Aye.

CHAIRMAN FLORES: Acting Chairman Flores votes aye.

The vote is 5-0 granting the Order allowing -- following ALJ Riley's recommendation. We will use that -- strike that.

We have a few petitions for rehearing left in today's agenda. The first is Docket No. 09-0251. This is Illinois-American Water Company's Proposed Implementation of a Qualifying Infrastructure Plan or QIP Surcharge Rider.

Before us today is an application for rehearing filed on April 15th by the Attorney General. ALJ Yoder recommends that the application for rehearing be denied.

Is there a motion to adopt ALJ Yoder's recommendation?

COMMISSIONER ELLIOTT: So moved.

CHAIRMAN FLORES: Is there a second?

COMMISSIONER FORD: Second.
CHAIRMAN FLORES: The motion has been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 to follow ALJ Yoder's recommendation that the application for rehearing be denied.

Our second item is Docket No. 10-0129. This docket concerns Integrys Energy Services Natural Gas, LLC's Application for Certificate of Service Authority under Section 19-110 of the Public Utilities Act.

Integrys believes that the initial Order granting its application was erroneous and is seek a rehearing to brief a specific issue of statutory interpretation in the application. ALJ Sainsot recommends granting the application for rehearing in order to brief this issue.

Is there any discussion?

(No response.)
Are there any objections to the application for rehearing?

(No response.)

Is there a motion --

COMMISSIONER FORD: So moved.

CHAIRMAN FLORES: Is there a second?

COMMISSIONER ELLIOTT: Second.

CHAIRMAN FLORES: The motion has been --

there's been a motion and its been seconded, that is to allow ALJ -- that is to follow ALJ Sainsot's recommendation granting the application for rehearing in this order.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

Hearing none, the vote is 5-0 to grant the application for rehearing.

We also have a FERC matter to address on today's agenda. This matter requires us to go into closed session.

Is there a motion to go into closed
COMMISSIONER ELLIOTT: So moved.

CHAIRMAN FLORES: I second it.

It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 to go into closed session. Please let me know when we're ready to go in Springfield.

COMMISSIONER COLGAN: We're ready to go.

(Whereupon, the following proceedings were had in closed session.)
Whereupon, the following proceedings were had in open session.)

CHAIRMAN FLORES: Please let me know when we're ready to go in Springfield.

COMMISSIONER COLGAN: I think we're ready to go.

CHAIRMAN FLORES: In closed session the Commission discussed filing comments to FERC regarding Demand Response Compensation in Organized Wholesale Markets.

Is there a motion to file the comments with the FERC?

COMMISSIONER ELLIOTT: So moved.

CHAIRMAN FLORES: Is there a second?

COMMISSIONER FORD: Seconded.

CHAIRMAN FLORES: All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0, the comments will be filed with the FERC.
Judge, Wallace, are there any other matters to come before the Commission today?

JUDGE WALLACE: None today, sir. We have a Special Open Meeting tomorrow.

CHAIRMAN FLORES: Very well. Thank you very much.

Hearing none the meeting stands adjourned.

(And those were all the proceedings had.)