

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22

BEFORE THE
ILLINOIS COMMERCE COMMISSION
ELECTRIC POLICY SESSION
2018 SUMMER PREPAREDNESS
Thursday, May 10, 2018
Chicago, Illinois

Met pursuant to notice at 10:00 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, by
BRAD BENJAMIN, CSR
LICENSE NO. 084-004805

1 UTILITY SUMMER ELECTRICITY PANEL I
PRESENTATION BY:

2

MR. TERRY R. DONNELLY, Executive VP and Chief
Operating Officer, Commonwealth Edison Company

3

4 MS. MICHELLE BLAISE, Senior VP, Technical Services,
Commonwealth Edison Company

5

6 MR. NEIL HAMMER, Deputy of Market Assessment,
MidAmerican Energy Company

7

MR. BRIAN RYBARIK, DEPUTY GENERAL COUNSEL,
MidAmerican Energy Company

8

9

MR. RON PATE, Senior VP, Operations & Technical
Services, Ameren Illinois Company

10

11

MR. BRICE SHERIFF, Director, Regulatory Affairs,
Ameren Illinois Company

12

13

MS. SUSAN L. SATTER, Public Utilities Counsel

14

MODERATOR:

15

MR. TOMÁS RODRIGUEZ, Legal and Policy Advisor to
Commissioner Rosales

16

17

18

19

20

21

22

1 RTO SUMMER PREPAREDNESS PANEL II
PRESENTATION BY:

2

MR. ROBERT BENBOW, Executive Director of Energy,
3 Market Process, Midcontinent Independent System
Operator

4

MR. PAUL McGLYNN, Senior Director of System
5 Operations, PJM Interconnection

6 MS. EVELYN ROBINSON, Managing Partner of State
Gov't Affairs, PJM Interconnection

7

MS. KRISTIN MUNSCHE, Deputy Director/Consumer
8 Advocate for PJM States/Citizens Utility Board

9

10 MODERATOR:

11 MS. TANYA GUTIERREZ, Legal and Policy Advisor to
Commissioner Rosales

12

13

14

15

16

17

18

19

20

21

22

1 COMMISSIONER ROSALES: Good morning and
2 welcome.

3 Pursuant to the Illinois Open Meetings
4 Act, I now call to order the Illinois Commerce
5 Commission's 2018 Summer Preparedness Policy Session.
6 With me here in Chicago are Chairman Sheahan,
7 Commissioner Oliva, Acting Commissioners Kimbrel and
8 Pavilos. We have a quorum.

9 Our guests and panelists should be
10 aware that a court reporter is present, and that the
11 transcript of this session will be posted on the
12 Commission's website following this session.

13 As we rapidly approach the summer heat
14 and weather, it is incredibly important to examine
15 the readiness of our public utilities and to do it on
16 a contingent basis. Today, we'll discuss the issues
17 of summer preparedness with two panels. The first
18 will focus on the utilities, and the second, the
19 RTOs. The Attorney General's Office and the Citizens
20 Utility Board will also be joining our panels this
21 morning.

22 On behalf of the Commission, I would

1 like to thank today's presenters for the effort that
2 they put into these presentations and all the work
3 that they do. I look forward to some valuable
4 discussion.

5 Finally, I would like to thank my
6 legal and policy advisors, Tomás Rodríguez and Tanya
7 Gutierrez, for doing the honor of moderating our
8 panels this morning.

9 Welcome, again, to the ICC's 2018
10 Summer Preparedness Policy Session, and, Tomás,
11 please begin with your first panel.

12 MR. RODRIGUEZ: Thank you, Commissioner, and
13 thank you to everyone for joining us this morning for
14 our first panel on Utility Electricity Summer
15 Preparedness.

16 We have a full panel from three of
17 Illinois' electricity utilities as well as the
18 Attorney General's Office, and we may even have some
19 others joining us later, depending on where the
20 conversation leads.

21 The conversation for this panel will
22 focus on the operations, demand, and weather

1 considerations that the utilities must take into
2 account to ensure enough reliable power and the
3 ability to deliver it to customers throughout the
4 summer. In addition, we will explore a
5 consumer-focused perspective on those same issues,
6 and more such as cost impacts and savings-based
7 programs.

8 In order to provide ample time for
9 that conversation, I will get right into the
10 introductions. Please note that we are going to go
11 out of order from what's listed on your agenda. And
12 starting us off today is going to be Susan Satter
13 from the Illinois Attorney General's Office, where
14 she acts as public utilities policy counsel.

15 Seated next to her, and in order of
16 the presenters, are Terry Donnelly and Michelle
17 Blaise of ComEd. Terry is the executive vice
18 president and chief operating officer, and Michelle
19 is their senior vice president of technical services.

20 Next to Michelle are Neil Hammer and
21 Brian Rybarik. Neil is the director of market
22 assessment at MidAmerican Energy Company, and Brian

1 is deputy general counsel at MidAmerican.

2 And then rounding out the panel are
3 Ameren's Ron Pate and Brice Sheriff. Ron acts as
4 senior vice president of operations and technical
5 services, and Brice is director of regulatory
6 affairs.

7 We ask Sue and each of the companies
8 to keep their remarks under 15 minutes, and I'll hold
9 up some time cards for you toward the end, and -- so
10 that we can include at least 15 minutes of discussion
11 and questions and answers at the end.

12 With that, Sue, please feel free to
13 begin. I think that you have the clicker, and you
14 may need to turn it on, on the left-hand side.

15 MS. SATTER: Okay. Do you have my slides?

16 MR. RODRIGUEZ: Yes, if you advance, there they
17 are.

18 MS. SATTER: Very good. Thank you very much.

19 First, thank you for having me. As
20 Tomás noted, I believe this is the first time that
21 consumers have been on this panel and have been part
22 of this annual policy session. I think consumers do

1 see things differently from their side of the meters.
2 And so I'm happy to have the opportunity to present
3 that today.

4 Okay. Generally, what are the summer
5 consumer utility issues? While there's relief from
6 high heating bills, often times, consumers have
7 residual debt or budget billing from the gas side.
8 So budgets can be stressed even though the winter
9 heating bills are past.

10 As I think we all know, cooling drives
11 up usage and bills. Another concern that is very
12 prominent for consumers is storm outages. And
13 finally, I want to just touch on the role of
14 suppliers and door-to-door marketing during the
15 summer months.

16 Okay. So while there is relief from
17 high heating bills in the summertime, many consumers
18 continue to pay off their winter obligations. So
19 while they have lower day-to-day heating obligations,
20 they're paying, either on a budget-billing basis or
21 otherwise. So the summer obligations are on top of
22 that.

1 Because some people can't afford
2 budget heating or summer cooling, you've got a
3 situation where you've got consumers looking at debt
4 and ways to manage that debt. And just kind of as an
5 aside, the Illinois Attorney General's Office is now
6 seeking an initiative in Springfield to make it a
7 little easier, particularly for low income customers,
8 to pay off their debts to the utilities so that they
9 can remain connected to the system.

10 Today, about 30,000 customers
11 statewide -- very, very rough number -- are
12 disconnected at the end of the winter disconnection
13 moratorium, simply because the costs are just too
14 high, and they cannot get back on the system without
15 assistance.

16 Okay. So how weather drives up
17 electricity usage: Air conditioning is the single
18 largest user of electricity for most consumers. The
19 other high-users of electricity are water space
20 heaters. Most people in our state use gas, but water
21 space heating is also a very, very big demand.
22 Clothes dryers, electric clothes dryers, also very --

1 everything that's heat and cool, it uses a lot of
2 electricity.

3 I did a very rough estimate, air
4 conditioning uses -- it increases usage by 350 to 950
5 kilowatt hours per month. Of course, this varies.
6 It depends on how weather sensitive the customer is,
7 how cost sensitive the customer is. Of course,
8 customer charges vary depending on those factors.
9 So just looking at the actual out-of-pocket amount,
10 using -- assuming just the kilowatt hour change,
11 because all of these charges are already there, an
12 \$0.11 a kilowatt hour, which is kind of a rough,
13 all-in Commonwealth Edison kilowatt-hour charge,
14 including delivery and supply, you're looking at
15 increases from about -- I calculated a simple \$30.50,
16 but up to \$104, up to an extra hundred dollars, if
17 you're a big user of air conditioning.

18 And now I just want to contrast that
19 to a situation where a customer might be on a
20 supplier. And maybe the customer came in on a rate
21 that was close to the utility rate and got pushed to
22 a variable rate. And just this month, I looked at a

1 utility bill that had a supplier cost and it just had
2 a dollar amount, not backed up with -- the
3 kilowatt-hour charge was at \$0.16 a kilowatt hour.
4 Now that \$0.16 does not include the delivery portion,
5 the kilowatt-hour delivery portion. So for those
6 people, they're paying significantly more. So you
7 can see how the higher supplier charges really
8 magnify the effect of the increased demand in the
9 summertime. Supply charges matter.

10 We do understand with the longer days,
11 particularly door-to-door sales can happen more
12 frequently. It's more attractive to suppliers to
13 send people out, and residents are outside and
14 they're more available, it's light out, it's warm.
15 So it's critically important to understand that
16 customers don't necessarily see the difference
17 between a supply charge and a non- -- and the other
18 charges on their bill.

19 They don't really know what they're
20 comparing. They might not know, certainly, that
21 there's a variable rate, how that's even calculated.
22 Now, there are -- the charges that were displayed on

1 the Plug In Illinois site, I did a just kind of quick
2 analysis of that. These are voluntarily reported
3 prices, so these prices do not necessarily reflect
4 the true market of what people are paying on a
5 day-to-day basis, especially with the variable rates.
6 But just using those charges, those self-reported
7 charges, we have 78 of 88 offers higher than the
8 utility rate in ComEd's own. And 18 percent are 30
9 percent higher. And that doesn't even include these
10 \$0.16 rates that we've seen, \$12- -- or \$0.12 and --
11 12.5-cent rates that we've also seen.

12 So again, given the attention that we
13 expect suppliers to give to residential consumers in
14 the coming season, the need for supply price
15 disclosures is critical if consumers are going to
16 protect their pocketbooks, number one. And number
17 two, if the competitive market is going to do its
18 job, which is to drive prices closer to cost.

19 And again, we have some initiatives in
20 Springfield now that would make this information more
21 readily available to consumers. And this is good for
22 consumers, but it's good for the market, and it

1 advances the state public policy to rely on
2 competition to restrain prices. Customers don't know
3 what the scale is. If they don't know what the price
4 is, they're not going to make cost-effective
5 decisions; nobody will.

6 So we know that there are more --
7 there's more usage in the summertime. And the
8 utilities have offered summer energy management
9 tools, which we appreciate. I only looked at the
10 most generally known ones from ComEd and Ameren. I
11 think a lot of people see hourly pricing as a demand
12 response tool, because people who are engaged in that
13 process of understanding what the hourly price is --
14 so it's people -- when I say "engaged," I mean
15 they -- they really have to be more engaged. The
16 have to have it on their phone, you know, what's the
17 hourly price. They have to like that kind of thing.
18 I do; you know, I like to see what it is every day.
19 But people who are outside this room, you might find
20 some. But these numbers show that there are not many
21 people on -- I mean, out of 3. -- what -- 7, 8
22 million ComEd customers, only 17,000, 18,000 are

1 reportedly on the hourly pricing; Ameren, out of a
2 million, 13,600. So it's a good program for those
3 who are on it.

4 Peak Time Savings, though, the ComEd
5 program has attracted a fair number of people. I
6 figure that's about five percent of the eligible
7 population, Ameren, 40,000. In the companies' AMI
8 reports, they talk about how often the peak time
9 savings days are called. And, you know, it depends
10 on the summer. Last year, it was a relatively cool
11 summer, and they had one call. So it wasn't really
12 used.

13 One of my favorite programs is the Air
14 Conditioning Cycling program, and Commonwealth Edison
15 reports 16,000- -- about -- 500 customers on that
16 program. Again, a relatively small percentage,
17 about -- 0.4 percent, but there's a planned expansion
18 through 2021. And that program is really invisible
19 to the consumer, there's a switch on your air
20 conditioner, or if you have a special thermostat,
21 it's appropriately programmed. And on the hottest
22 days, you get turned off for 15 minutes. If you

1 happen to be on, you're turned off, and then, come
2 back on when that 15 minutes is over. And because
3 it's spread out over so many customers, that 15
4 minutes actually does, affect -- can affect the peak
5 demand.

6 It's a good program. I guess I would
7 like to see it expanded. I'm hoping that later in
8 the program, the utilities will talk about other
9 demand response programs that they have. And I think
10 it's important not only they have these programs, but
11 for people to understand them, for them to be easy,
12 and to somehow get them out there so that people
13 understand this will save you money.

14 Okay. So another thing about this
15 summer that we sometimes forget, and certainly coming
16 from the consumer-side of the meter, is this: Summer
17 heat can be deadly. I don't know how many of us
18 remember 1995, with the 739 deaths in Chicago over a
19 week period. It was an absolute public disaster. In
20 addition to the morgue having to handle this
21 disaster, it was just the day-to-day life of the city
22 when temperatures were 90 and above.

1 There were scattered outages reported
2 throughout the region due to the heat. There was a
3 major outage on the northwest side of Chicago, with
4 some 49,000 residents without electricity for up to 2
5 days in the midst of the heat wave. So there was no
6 air conditioning, no refrigeration, no elevator usage
7 for these areas. The summer heat can actually be
8 more deadly than the winter cold.

9 There's a -- for those who want to
10 dive into this a little deeper, and if you have a
11 strong constitution, you can read this book, "Heat
12 Wave: A Social Autopsy" -- I think that word was
13 selected intentionally -- "of Disaster in Chicago."
14 It's a great book, and it really talks about the
15 effect of heat, mostly in cities, but on human
16 beings.

17 So related to -- you've got your
18 excessive heat in the summer, and your storms in the
19 summer. And sometimes there're problems of --
20 problems of weather times, potentially. And we don't
21 know, while sitting here today, what the summer will
22 be. Will we have a deadly hot summer? Will have

1 storms like 2011? So in 2011, more than two million
2 customers -- there were more than two million
3 customer outages over, I think it was only two summer
4 months. Six major storms, and two of them resulted
5 in huge numbers of people without power, for 160,000
6 in one storm, almost a million in the second storm,
7 and that storm came and went in a flash.

8 We looked at the consequences of that
9 storm pretty closely, and there were people without
10 power for a week. There were people without power
11 for several days more than once. This is what
12 consumers are afraid of so to speak. This is what
13 they dread, not just the excessive heat, but these
14 outages.

15 I don't think I need to go through
16 what happens when there is an outage, I think
17 everybody knows. There are public safety issues,
18 traffic lights, downed power lines. I think we do
19 need to recognize that things like hospitals, police
20 stations do have obligations to have back-up power,
21 and those obligations are important. And in
22 addition, I know at least Commonwealth Edison -- and

1 maybe the other utilities can address this -- did put
2 together a program to work with municipalities in
3 these extreme situations so that they could help
4 identify priority restorations, for example, a
5 nursing home or senior housing.

6 So what is the outage performance?
7 It's part of the smart grid law. The performance
8 element of the law requires reporting for outages.
9 And it requires improved performance. And that's
10 good. And on -- I have the SAIFI and the CAIDI
11 measurements that are reported. And just as a
12 summary, SAIFI is the average number of outages per
13 customer on the system, and CAIDI is the average
14 duration -- right, "d," duration -- per customer that
15 experiences an outage, so 81 minutes is a little over
16 an hour, hour and 20 minutes.

17 Now, the law, though, does exclude
18 nine weather-related outages from the calculation.
19 So while these numbers are great, and they're meeting
20 the performance measures, from the consumer point,
21 they're experiencing those outages that are excluded.
22 So in 2017, 617,000 outages were excluded. Those

1 were experienced by the public. In 2016, 500,000;
2 2015, 585,000; 2014, there were even more, 858,000.
3 And these are all reported. ComEd reports them in
4 their own reliability reports and also in the
5 performance reports. So I think the point that I
6 want to make is that while performance is better on
7 the blue-sky days, the storm days continue to be a
8 problem.

9 Ameren, similar situation, we don't
10 have the 2017 yet; Ameren files on June 1st. But the
11 number of outages, it's ver- -- the number of
12 excluded outages are experienced by consumers, but
13 are not reported.

14 So just the conclusion to that is that
15 storm outages remain a significant summer threat to
16 millions of residents throughout Illinois, and that
17 the metrics primarily measure blue-sky outages, in
18 other words, those not caused by storms. Although,
19 on a particularly stormy summer, and you have more
20 storms than nine, there will be some effect.

21 And that's it. I thank you for your
22 time.

1 MR. RODRIGUEZ: Great. Thank you very much,
2 Sue, for those thoughts, and a lot of good stats and
3 commentary on that.

4 So moving right along, we have ComEd
5 next, and so whenever Terry and Michelle are ready,
6 please, proceed.

7 MR. DONNELLY: Thank you, Tomás and Staff for
8 your remarks and comments. And thank you to the
9 Commission for conducting these hearings, which
10 clearly show the criticality of the grid and
11 criticality, especially during summer which are
12 periods of stress, and we appreciate the Commission
13 showing that importance by conducting these hearings
14 today. And also thank the colleagues for joining me
15 and -- and the audience as well.

16 So if we could -- I have -- I'll cover
17 a couple of slides in introduction, then I'll turn it
18 over to Michelle Blaise. Michelle Blaise is our
19 chief engineer and runs technical services and all of
20 project management and smart grid development. So
21 you can find a lot more about details.

22 If you look at 2017, we see a lot of

1 positive performance on our system, our best summer
2 reliability rates. If you look at things like
3 frequency of outages, as Sue mentioned, and duration
4 of outages, they are down just under 50 percent --
5 46, 47, 48 percent -- from pre-EIMA, for both
6 duration and for both frequency.

7 And while EIMA does provide exclusions
8 on that, these numbers are all-in numbers. So we do
9 tend -- we do absolutely agree that storm outages
10 need to be included in looking at our reliability and
11 the impact of that reliability. There are exclusions
12 in the EIMA law, but the way we -- I would say
13 Michelle and I and our team manage or lead is by
14 looking at all-in outages. So these statistics
15 are -- the all-in outages on what we've -- and they
16 can be volatile, but what we've been able to achieve
17 and include all storms.

18 Additional highlights: Our safety
19 performance continues to be strong. Storm outages,
20 we're really making progress here, I think. The
21 storm outages have decreased 58 percent compared to
22 pre-EIMA. Now, pre-EIMA, I define as the mean

1 between 2007 and 2011. And when I say "storm
2 outages," it's the number of customers impacted by
3 each outage.

4 So we're trying to get to a smaller and
5 smaller customer count for that, because we're
6 getting more progress on the big outages and
7 preventing them more, and a lot of smart switches is
8 restoring them in storms. So we're driving that
9 outage count for the -- for the storm outages to
10 smaller customer counts, which is very positive.
11 Our -- you know, we've avoided lots of interruptions
12 due to our investments in our smart meters. A lot of
13 truck rolls are avoided. There are some stats there:
14 867,000 avoided truck rolls by -- because of mainly
15 the switch and the smart meter. Of that total, about
16 95- -- or just under 100,000 of our avoided truck
17 rolls were for outages. So we'd know that the power
18 is either on or off at the residence; we can avoid a
19 truck roll.

20 We -- looking to the future, we're
21 wrapping up in our EIMA investments. We will
22 continue that. We'll wrap up smart meters

1 predominantly this year. We'll continue to invest in
2 digital substations through 2021. Our focus turns
3 onto the Future Energy Jobs Act, which we're pretty
4 excited about.

5 And a couple of summary comments
6 there, we've launched a portfolio of energy
7 efficiency programs that are pretty aggressive, and
8 we're making good progress there. We've started our
9 voltage optimization plan, which improves losses in
10 the system and improves efficiency. And on the solar
11 front, we're really seeing a rapid intake of solar
12 connection applications. And the featured bill
13 commits 750 million for low-income assistance through
14 energy efficiency, solar funding, and the ComEd CARE
15 program through 2030, so we're pretty excited about
16 that.

17 We continue to focus our innovation
18 through the Bronzeville microgrid, and we work very
19 collaboratively with the ICC and others and the
20 community on getting approval to build that microgrid
21 and how we use smart grid technologies like smart
22 street lights to improve service, Not only in

1 resiliency, but also quality of life in the community
2 is what we're really focused on delivering in the
3 Bronzeville area. And of course, we're focused on
4 the next grid proceedings that are underway at the
5 ICC.

6 I would add that the smart meter
7 investments, we were able to make 75,000 electrician
8 repairs to customer -- customer meter equipment,
9 which can be quite old and antiquated. And we were
10 able to make those repairs, and I appreciate the
11 support of the Commission on how to handle those
12 costs. And many of those repairs are to residents
13 that are low income because that equipment is very
14 old, and we were able to make those repairs. That
15 was one of the collateral benefits of our smart meter
16 program.

17 I won't dwell on each one of these
18 charts on the next slide on our reliability trend.
19 The one that we're really the most proud of is the
20 bottom right. This is an EIMA metric, which we call
21 the Customer Target program. These are chronic
22 outages. These are customers that experience

1 outages, either frequent outages or predominantly
2 long-duration outages every year. All right? This
3 is a metric implemented some time ago from the ICC to
4 measure our performance on that.

5 This is a EIMA metrics, and I will
6 report we did not make this metric and received
7 penalties the last -- first four years of EIMA. Last
8 year was the first year we finally met that goal, and
9 as you can see on the far right, the big reduction in
10 chronic outages. I think we can all agree, it's when
11 those outages are affecting small pockets of
12 customers frequently, or a long duration every year,
13 that has had significant impact, and we're pretty
14 pleased with that one.

15 On the preparedness for summer, we're
16 in pretty good shape here. The PJM peak, 24,292,
17 that's at 90 percent; you know, that would be more
18 severe weather. The fi- -- we call it the 50/50,
19 which is maybe average weather, 22,121 megawatts.

20 A lot of our investments are on track,
21 demand response, spare equipment. Michelle will go
22 over some details of that: The storm task force,

1 customer channels, and improvements in that area.
2 Our load performance, we're in good shape there. Our
3 loadings of substations, feeders, and equipment are
4 in good shape. And as Susan mentioned, the
5 weather -- there are predictions for the weather, but
6 we kind of have to know what we're in there when it
7 actually hits. So there're some predictions of
8 above-average temperatures, probably not a surprise
9 to most people, and probably normal partic- --
10 participation [sic]. But we know how volatile that
11 is.

12 If you look at Transmission and
13 Substation Adequacy on the next slide, a couple of
14 things: Demand response, we can call on, we think,
15 with a fair amount of confidence, about 1,000
16 megawatts of curtailment if we had to in the peak.
17 And that is a fairly significant amount. A lot of
18 that is voluntary programs, incentive programs. And
19 as mentioned in Ms. Satter's remark, we do have the
20 smart thermostat program. We had 9,328 in 2017.
21 That's up to 19,000 in this year, which is pretty
22 exciting.

1 That's now a permanent program, the
2 smart thermostat, and you get a rebate as well, and
3 you have that AC Cycling. That's what's matching.
4 There's two versions of that: One where you're cycled
5 three hours; one where you're cycled a little less
6 than that. And we see those programs.

7 And the Peak Time Savings program has
8 rapidly grown. You need a smart meter for that, so
9 that's grown significantly to over 250,000 customers,
10 and we're getting some good savings there and some
11 demand response with that as well.

12 So with that, I will turn it over to
13 Michelle Blaise to continue the presentation.

14 Michelle?

15 MS. BLAISE: Thank you, Terry, and good
16 morning. And thank you, Chairman and Commissioners
17 for the opportunity for us to share with you the work
18 that we're doing to improve -- continue to improve
19 the system performance, but also make sure that we're
20 ready for the summer.

21 The work that we've done is really --
22 I want to put it into three categories. It's work

1 that we're doing on the system to shore up the
2 system, to make sure it's performing not only on
3 blue-sky days, but during the extreme weather that we
4 see in the summer.

5 The second part is around the customer
6 care. How we- -- improvements in how we're taking
7 care of customers if and when they experience these
8 outages. And also our preparedness, being prepared
9 for these extreme conditions in the summer.

10 As far as system investments, we
11 usually look at -- first look at our load
12 projections, and we do work to make sure that our
13 system is ready to take on additional load,
14 especially in the summer. We identified about
15 237-some projects that were needed. Based on those
16 load projections for this summer, we expect to have
17 pretty much all of them done before June 1st.

18 And we're on track to complete other
19 programs of work that we focus on before the summer
20 season comes. We have the Lightning Enhancement
21 program, where we address areas where we've seen a
22 lot of lightening-related damage. We have the

1 one-percent-worst-performing feeders that is part of
2 the regulatory requirement. We focus on getting all
3 that work done before the end of June. And as well,
4 there's our vegetation, load transmission and
5 distribution vegetation trimming is on track.
6 Additional work that we're doing is we're also
7 reinforcing communication systems, converting to
8 digital communications and fiber in our
9 transmission -- for our transmission. Substations,
10 we are focused on some really targeted work that
11 Terry mentioned around the customer-target work. One
12 program that we kept -- kept as far as EIMA was Storm
13 Hardening. That's work related -- where we focus on
14 areas -- pocket areas in the system where customers
15 are seeing local outages, especially during weather
16 events.

17 Part of the work, the solutions that
18 we've come up with are underground- -- undergrounding
19 as well as enhanced tree trimming. This -- depending
20 on what the issues are during extreme weather. We've
21 installed about 200 miles of Spacer Cable in heavy
22 re-treed [sic] areas to address the impact of outages

1 during those extreme weathers. So we continue to
2 look at new solutions.

3 We've also done quite a bit of work on
4 our transmission system. Since 2014, we've replaced
5 about 1,300 transmission wood structures on our
6 transmission system, from wood to steel. Again,
7 shoring up, really reinforcing our system.

8 We've also -- as far as emergency
9 preparedness, I talked about preparedness, so we
10 continue to drill and reinforce our response. Just
11 about every employee in the company is part of our
12 emergency response process. And we do drills pretty
13 much all year long, summer drills, and as well as
14 spring drills to get everyone ready for their roles.

15 Mutual assistance is really important
16 to us. It's our ability to -- we are part of three
17 mutual assistance groups, where utilities agree to
18 support each other in case of significant
19 catastrophic events.

20 We've participated in at least three
21 events that we want to highlight. We supported the
22 restoration efforts in Florida during Hurricane Irma.

1 We deployed over 760 ComEd and contractor employees
2 to support that restoration effort. We also deployed
3 about 145 ComEd employees to help restore Puerto
4 Rico. A lot of work -- the -- these employees
5 volunteered to go to Puerto Rico for a month at a
6 time to help restore customers in that -- that were
7 still not restored around -- in March and April. In
8 March, we also -- our east utilities were
9 experiencing -- experienced three significant winter
10 storms in a row, over a three-week period, and we
11 sent about 1,300 employees there to help.

12 The operational exercises that we do,
13 I talked about the drills that we do internal. But
14 also, as we've improved in that process, we've
15 included external entities in our drills as well,
16 emergency response entities from the communities that
17 we serve. We've led workshops with municipalities
18 around load shedding, explaining to them what that
19 is, what potential situations we might face, and also
20 ensuring that we got communication systems in place
21 with them during -- if an emergency like that were to
22 happen.

1 We also have joint Illinois
2 partnership with Ameren and MidAmerican where we
3 continue to discuss best practices and emergency
4 preparedness. We also have contingency planning as
5 part of our preparedness. We have emergency systems
6 in place, generators, spare transformers. We all
7 ensure that we've got the right amount ready to go.

8 Our supply readiness, ensuring that
9 all mobile storm trailers are stocked and ready to
10 go. Another key highlight that -- we took on a
11 program to look at some substations that we had in
12 our service sector that were prone to mitig- --
13 flooding. We've been working on that program for
14 about three or four years now. We've done five such
15 flood mitigation efforts at our five substations that
16 were most prone to flooding and we're -- we've got a
17 sixth one going, and those are the worst ones in the
18 area. And we've seen the results of that during some
19 major rain storms.

20 Customer communication is important to
21 us -- we've got a minute. Call center outreach, we
22 train our CSRs to make sure that they know -- they

1 have access to be able to help customers when they
2 call. Our energy efficiency programs that we've had
3 in place that Terry talked about, we've increased
4 significantly to help customers reduce energy use and
5 costs, and that's ongoing and it's accelerating as
6 well.

7 We talked a little bit about the
8 Future Energy Jobs Act that was -- we are
9 implementing the programs that are related to that
10 around energy efficiency, voltage optimization.
11 Solar's going to be a significant change for us. We
12 have about 1,600 megawatts of solar developers in our
13 cue. A significant component of that is Community
14 Solar. And we're continuing to work with workforce
15 development, looking at how we develop workfor- --
16 the workforce and the skill sets in our communities
17 that we serve.

18 So overall -- almost time? We're
19 prepared to provide reliable electric service. Our
20 transmission distribution facilities are ready to
21 meet our 2018 forecasted loads. Our storm response
22 improvements, preparedness drills and exercises are

1 ensuring that we're ready to handle the summer. And
2 our customer service channels are ready to address
3 customer concerns.

4 Thank you.

5 MR. DONNELLY: Quickly showing -- I'm sorry --
6 a couple of pictures from Puerto Rico. These are
7 fantastic. You know, the community actually fed the
8 crews every day. This is an incredible deployment.
9 This was a once-in-a-lifetime, and we have our line
10 mechanics, which are going to be some -- some pretty,
11 you know, tough guys, you know, breaking down crying
12 on this deployment.

13 And so we have -- you know, the
14 residents were feeding us each day. We had -- the
15 community helped clear the brush for our crews to
16 restore power. We had -- this particular picture
17 is -- alerted us to a real bad bee problem and helped
18 our crews get into an outfit to restore power and
19 avoid injuries. We donated to families in need,
20 schools in need, and fixed baseball fields. Deployed
21 a solar suitcase from a school here in Chicago that
22 developed, and had Easter baskets and -- you know, I

1 know it's quick, but it was just a -- it was just a
2 fabulous deployment. And, you know, we hope nothing
3 like that happens again, but it was a
4 once-in-a-lifetime experience for our crews.

5 MR. RODRIGUEZ: Thank you, Terry, very much,
6 and Michelle. And I believe we have some other
7 panelists who have similar experience with Puerto
8 Rico and after the tragedy that hit. So hopefully we
9 can get into that more later, but I would like to
10 pause briefly to see if the commissioners or the
11 chairman wanted to ask any -- any questions before we
12 move on.

13 COMMISSIONER ROSALES: Yeah. Thank you, Tomás.

14 Is -- is there an actual ranking of
15 what you do from a national perspective? I'm just
16 asking this. It seems like it goes so well and we
17 appreciate the extras that you have accomplished in
18 the last year with, you know, your work in Puerto
19 Rico. So...

20 But is there a national ranking of how
21 this goes, or do you just look at other organizations
22 and see how you compare?

1 MR. DONNELLY: Yeah. A ranking of, say,
2 difference performance across utilities?

3 COMMISSIONER ROSALES: Correct.

4 MR. DONNELLY: Yeah. We do a pretty
5 significant benchmarking of all the major utilities
6 in the U.S. on various attributes of performance,
7 customer performance, reliability performance. The
8 last benchmark study, we were the best in class of
9 that group in reliability, frequency of outages, so
10 we're pretty proud of that, so about a 24-company
11 group. It's all the big companies, you know,
12 California companies, Florida, big -- large -- large
13 utilities. And we -- we've been improving each year,
14 and our reliability was top in that our customer
15 operation performance also tends to be near the top
16 as well.

17 COMMISSIONER ROSALES: But is that an
18 apples-to-apples comparison, because this has --
19 you've done very well. But are you comparing the
20 same things that they're comparing?

21 MR. DONNELLY: Yeah. We do -- it takes a lot
22 to make sure it's benchmarked with metrics that the

1 industry abides by. So some of the reliability
2 metrics are an IEEE standard of reliability that
3 everybody kind of abides by in reporting. A lot of
4 customer operations metrics, speed to answer and
5 things like that, are pretty universally measured
6 across the board, and the customer service
7 satisfaction.

8 Like, thinks like looking at the
9 J.D. Power's survey, those types of things, are like
10 an independent third party that we measure. And
11 we've been climb- -- we're one of the most improved
12 utility over the last five years in J.D. Power's. We
13 still have places to go; we still have utilities on
14 top of us. We still have room to go to keep
15 improving in that particular department.

16 COMMISSIONER ROSALES: Thank you.

17 MS. SATTER: I think it's the I- -- it's an
18 IEEE report?

19 MR. DONNELLY: Yeah.

20 MS. SATTER: And I think it's generally
21 available --

22 MR. DONNELLY: Yes.

1 MS. SATTER: -- without a subscription or
2 login, so if you Google the IEEE reliability metrics,
3 you have an annual report. So, you know, you can
4 look at it anytime.

5 MR. DONNELLY: And that does -- that does, we
6 call it a two-and-a-half beta. That does -- just
7 to -- that does tend to normalize for extreme weather
8 events that Sue mentioned for the IEMA bill. Now,
9 the way we kind of manage is the all-in, as I
10 reported in our statistics, includes all storms. But
11 the benchmark, IEEE, has some normalizations for big
12 weather. Because, you know, if an east coast
13 utility's hit with a hurricane, or Florida's hit with
14 a hurricane, it can really skew their metrics, so
15 there's some adjustment for that.

16 COMMISSIONER ROSALES: Fair.

17 MR. RODRIGUEZ: All right. Well, thank you for
18 that, and thank you, Commissioner Rosales, for the
19 question.

20 Let's move right along to MidAmerican
21 Energy Company. Brian Rybarik and Neil Hammer, take
22 it away, please.

1 MR. RYBARIK: All right. Thank you, Tomás.
2 I've had, like, seven cups of coffee, so I'm going to
3 warn the court reporter that I might talk really,
4 really fast. If you see smoke coming out of that
5 machine, just raise your hands and I'll slow down.

6 I'm Brian Rybarik; I'm the deputy
7 general counsel. I focus a lot on our regulatory
8 policy and our regulatory filings throughout our
9 four-state region. And with me here is Neil Hammer
10 who -- I'll let Neil describe his role as the
11 director of market assessments.

12 MR. HAMMER: Yeah. Our market assessment group
13 monitors RTO activities for changes in markets, and
14 we're looking at long-term generation, finance, and
15 forecasting of market prices.

16 MR. RYBARIK: So I feel like if -- I'm probably
17 dating myself with this reference, but if you
18 remember the Macintosh ads that had John Hodgman in
19 them, it was, like, "I'm a Mac" and "I'm a PC." Neil
20 and I are going to be -- I'm going to be the Mac, so
21 I'm going to focus on more of the talks and stuff.
22 And when we have numbers on slides, Neil's going to

1 take over and take over the PC role.

2 So a real quick overview of what we're
3 going to go over today, a reminder and overview of
4 who we are. We'll focus a lot on our demand
5 capability as we have in the past. Our transmission
6 system, some education management work, our storm
7 preparedness work, and some other work we're doing
8 internally and externally to focus much more on a
9 customer-first approach to our interactions with our
10 customers. And then some changes on energy
11 efficiency, largely focused on some policy changes
12 that have happened in Iowa, but as you can see from
13 our next slide here, Iowa is our predominant
14 jurisdiction.

15 So we are headquartered in Des Moines,
16 Iowa. We have about 3,300 employees. Neil and I
17 hope we do a good enough job describing our efforts
18 here, so that's not 3,298 by the end of the day.
19 About 1.6 million electric and natural gas customers
20 in four midwestern states, Illinois; Iowa is our
21 predominant jurisdiction, as I said; a little bit in
22 South Dakota; and then two municipalities in Nebraska

1 that we serve with gas.

2 Our Illinois presence, relatively
3 small compared to the other utilities that you have
4 here before you today. 85- -- about 85,000 electric
5 and 66,000 natural gas customers, all in the Quad
6 Cities area.

7 As Neil will go over, we have about
8 387 megawatts of power of our owned capacity are
9 allocated to our Illinois customers. The remainder
10 comes through the Illinois Power Authority. That's
11 something we dabbled early on, and it's -- and in its
12 tenure, we've certainly come used to that process,
13 and have found that very valuable to us and good for
14 our customers.

15 So because this slide has a lot of
16 numbers on it, I'll turn it over to the PC.

17 MR. HAMMER: Yeah. So this is a slide of
18 MidAmerican's forecast of load capability for the
19 summer of '18. And on that first slide, you will see
20 MidAmerican's forecast peak load is at 4,873
21 megawatts at peak load, which results in about 16
22 percent excess reserves on an installed p- -- on an

1 installed-capacity basis, or 5,677 megawatts of
2 generation resources. That amounts to about 500
3 megawatts in excess of MISO resource adequacy targets
4 for the 2018-2019 planning year.

5 Our Illinois load is a smaller portion
6 of that load as shown on the third line there. And
7 that has a forecasted peak load for the summer of 458
8 megawatts. As Brian mentioned, we allocate a portion
9 of our own generation to that of load through the
10 assorted resources that serve that load. And that
11 amounts to 387 megawatts of generation and 9
12 megawatts behind-the-meter generation MidAmerican
13 stocks.

14 The small shortfall in Illinois is
15 procured through the Illinois Power Agency's
16 recommendations. This year, it has procured at the
17 MISO capacity auction.

18 Our all-time peak occurred last
19 summer, and that was 4,850 megawatts. And that's
20 just a -- it's, slightly less than our forecast for
21 the summer of '18. Our capacity at MidAmerican
22 continues to grow as we're adding limited, and all of

1 that is coupled use.

2 On the transmission side, there are no
3 facilities expected to exceed ratings for the summer
4 and load conditions. And of course, for at all
5 conditions, we look to operate in an ISN MISO market
6 assistance to manage in mitigating any risk of
7 congestion.

8 We're installing new 345 kV in and
9 around Iowa, which enables more import and export
10 capability within a state and to other states, which
11 improves reliability. Some of those projects are now
12 completed through the MISO Multi-Value Project. On
13 this slide, I show the graphic that shows the ones
14 that are remaining to be completed in 2018 and 2019,
15 and eventually, final completion of the projects in
16 2023.

17 As to vegetation management, we
18 preform tree trimming on a regular cycle, and that
19 maintains our system performance for outages and
20 capacity measure. We've seen a good response of how
21 to maintain the focus on those program goals for tree
22 health. And just through minimizing tree-related

1 events and it also has an impact on major events.

2 With that, I will let Brian cover the
3 rest of the slides.

4 MR. RYBARIK: All right, moving on.

5 One thing I do want to point out here
6 on this slide is -- and this is just a great benefit
7 of having more and more customer interaction, you'll
8 see one of the buttons we have on our website is to
9 submit tree trimming requests, right? So we have all
10 of these citizen customers out there that see stuff
11 every day. And the more interaction we have with
12 them, the more they can say, Hey, there's this tree
13 that looks really close to my power lines. If we
14 make that really easy for them to communicate with
15 us, we've just increased our resiliency and our --
16 and our reliability just by getting that information
17 that we otherwise wouldn't have had.

18 So the customer interactions are a big
19 focus of what we're working on. I'll talk about it a
20 little bit here, but one thing we are doing in -- and
21 as we prep for storm preparedness, we are really
22 focused on the facilities that we have. We've done a

1 lot of construction for new operation centers and new
2 storm centers, and just opened a new incident command
3 center in Des Moines, near our control center there,
4 to allow us to engage in just really good
5 opportunities for exercise, and of course, that's
6 where we're going to go in the event there is an
7 incident.

8 As I think everybody can appreciate,
9 the number of threats and the types of threats to the
10 grid are increasing daily, and it's something that we
11 need to be prepared for. As ComEd said, and I'm sure
12 as Ameren does, we're trying to figure out better
13 ways to prepare for those and engage in scenarios and
14 work with other agencies outside of our own teams to
15 make sure that we are going to be ready for any of
16 those potential scenarios.

17 As was also discussed, mutual
18 assistance continues to be a big part of what we do.
19 In fact, just last week, there were some major storms
20 in Michigan. We rolled about 33 employees -- well,
21 not about 33 employees, 33 employees -- over and a
22 handful of trucks to help there.

1 And the nature of mutual assistance is
2 we know that that's probably going to come back to
3 us, right? That at some point we're going to have a
4 storm in Iowa that's going to take out a significant
5 amount of our infrastructure, or a storm in the Quad
6 Cities area that's going to require some help. And
7 that's what's great about our engagement. Despite
8 the fact that we may feel like competitors sometimes,
9 getting people back online is job number one.

10 In our role through Berkshire Hathaway
11 Energy, we do some mutual assistance with our
12 affiliates as well, and then we are also engaged in
13 Grid Assurance. We have a filing before the
14 Commission, so I'll avoid the most public ex parte
15 communication in the history of the ICC by not
16 talking about that too much.

17 But moving more and more to
18 computer-aided dispatching, and you'll see some of
19 our outage maps, similar to what Ameren has in their
20 presentation. But I think a really important thing
21 here, on this slide, to point to is when we ask our
22 customers, Hey, do you want to get notifications

1 either by e-mail, or by text, we have a pretty good
2 subscriber rate. I think 75 percent of customers are
3 getting proactive updates via some form of electronic
4 communication.

5 So, this is our map. Again, I think
6 it's similar to what Ameren has. I think it's really
7 cool to go out and kind of see the state of our
8 system, and if you're a customer, you know, pop open
9 your laptop and you can see kind of what's going on.
10 Weather overlays, I took this last week and you can
11 see a little bit of weather in the bottom right-hand
12 corner. I should have picked a day where it was
13 raining everywhere so you can see, but that weather
14 had just moved through. There were some outages in
15 the Quad Cities area.

16 What I think is important here is as
17 you scroll over, not only does it tell you that you
18 have an outage -- if you're a customer that's in an
19 outage, you know you have an outage -- what's more
20 important here is it gives you information as far as
21 the time of restoration, our estimated time of
22 restoration, and that is something that we are very

1 focused on. We're calling it in drilling, our
2 customers-first initiative. And we're really trying
3 to focus on removing barriers to allowing our
4 customers to get really what they want.

5 And it doesn't necessarily come down
6 to outages, but we're really trying to change the
7 philosophy of all of our customer interactions. And
8 where it started is really from a scheduling
9 perspective. Like, oftentimes the utility says, "Oh.
10 Hey, you need some services done at your house; we'll
11 be there between 10:00 and 2:00 tomorrow," right?
12 And people's lives are pretty busy, so what we're
13 trying to turn that around to is why don't you tell
14 us when you're available for us to be there. And
15 then we're going to remove all the barriers of our
16 internal systems, and say we'll be there when you
17 want us to be there.

18 So that's our goal from a scheduling
19 perspective, but that mentality is going everywhere
20 throughout our company. We've done a ton of the
21 internal training working with universities to sort
22 of figure out ways that we can adjust our own

1 internal structures to move towards that
2 customer-first mentality.

3 Finally, for us, and just a quick
4 heads-up, energy efficiency is something we've been
5 focused on, and the all-in bill that our customers
6 pay is something that, you know, we can look at the
7 kilowatt-hour charge, but what they really care about
8 is the number at the bottom. And in Iowa,
9 particularly, our energy efficiency costs have been
10 going up considerably, and that's been increasing
11 customer cost.

12 We filed a plan to realign those
13 energy efficiency costs. They were about 7.5 percent
14 of our revenues in Iowa, which was one of the highest
15 in the country. We were looking to reduce that by --
16 the legislature actually just passed a bill to reduce
17 the size of the programs in Iowa and cap the amount
18 of spending that will be required.

19 I give that to you because we have
20 largely used our Iowa plan and a lot of the
21 efficiencies that we gained to sort of base our
22 Illinois plan on. So we may have some changes coming

1 forward in our Illinois plan, and I think we talked
2 to Staff about continuing our current program for
3 another year. Give us some opportunity to get some
4 work done on the new Iowa law, and then figure out a
5 new Illinois plan. So I just wanted to give you a
6 heads-up that that is coming from our perspective.

7 And that is the end of our remarks.

8 And I will note that we did that very efficiently.

9 MR. RODRIGUEZ: Thank you, Brian and Neil. And
10 I -- you know, obviously we have FEJA, Future Energy
11 Jobs Act, here, which did affect that energy
12 efficiency plans for our utilities, and I don't know
13 if they're going to go into that or not, but the
14 percent-spend is a part of the effect of FEJA, so
15 thank you for that insight there.

16 MR. RYBARIK: Yep.

17 MR. RODRIGUEZ: Quick pause for any questions
18 from the bench here, the side bench.

19 (No response.)

20 MR. RODRIGUEZ: All right. So moving right
21 along to Ameren: Ron Pate, Brice Sheriff. Brice, I
22 hope I'm not blocking you too much, but take it away.

1 MR. SHERIFF: How we doing on time? We've got
2 a lot of time?

3 MR. RODRIGUEZ: Yeah. You should still be able
4 to go 15 if you have to.

5 MR. SHERIFF: We've got several slides here,
6 but we're going to go kind of quick here to make up
7 some time, but I don't want to stress anyone out more
8 than we have to.

9 MR. RODRIGUEZ: Appreciate it.

10 MR. SHERIFF: The first slide here is a -- just
11 a brief outline of what we're going to discuss today,
12 Transmission and Resource Adequacy: Summer peak
13 loads, Ameren Illinois supply portfolio, the RES
14 supplier load, as well as demand response and other
15 operating reserve resources. We're going to talk
16 about our readiness on the transmission distribution
17 facilities, our emergency preparedness, and of
18 course, contact centers and how we communicate with
19 our customers.

20 COMMISSIONER ROSALES: Hey Brice, you can take
21 your time.

22 MR. SHERIFF: Too fast? I'll slow down.

1 (Laughter.)

2 COMMISSIONER ROSALES: You sound like a
3 disclaimer on the radio, you know? So, yeah.
4 Take -- take your full 15 minutes.

5 MR. SHERIFF: All right. So a quick preview of
6 Ameren Illinois and the company. We have 1.2 million
7 electric customers; 813,000 natural gas customers;
8 service territory covering roughly 46,000 miles of
9 distribution lines; obviously, you know, power
10 plants; and we purchase all of our electricity.

11 So this slide, Slide 4, is
12 essentially, I think, the heart of the discussion
13 today, that Ameren Illinois has verified that
14 sufficient generation of resources are committed to
15 serve the Illinois load. In addition, transmission
16 and distribution capability is adequate to provide
17 reliable electric service for our Illinois customer
18 during 2018.

19 So what does that equivalent look
20 like? For 2018, our expectation is 7,315 megawatts;
21 although, the worst case scenario load is 7,754
22 megawatts.

1 The next slide is a breakdown of what
2 this summer peak load looks like as far as between
3 Ameren Illinois and our retail electric supplier
4 load. As you can see, a lot of our customers are
5 supplied by a retail electric supplier, close to
6 5,400 megawatts of that. And of course, we've got
7 the breakdown from Ameren Illinois between our
8 fixed-price and -- versus our real-time price load.

9 So the next slide just simply
10 highlights what our supply portfolio looks like. It
11 takes into account, obviously, the 8.4-percent
12 reserve margin required by MISO. As you can see,
13 this is from 1,939 to 2,102 megawatts.

14 The demand response, interruptible
15 load, currently we have 440 megawatts of
16 interruptible RES and behind-the-meter load. We
17 offer real-time pricing for both residential, small
18 commercial and industrial, as well as larger
19 customers greater than 150 megawatts. This is Hourly
20 Day Ahead prices, posted by MISO.

21 You can see down below, our projected
22 summer participation as far as large customers, small

1 commercial and industrial, and of course, our
2 real-time pricing and power-smart pricing. I will
3 note that we inadvertently omitted our peak-time
4 rewards program, which we have currently around
5 70,000 customers -- a very popular program -- have
6 signed up for that. So that will be added next year,
7 for sure.

8 So let's discuss the transmission and
9 resource adequacy from a RES standpoint. You can see
10 in these two slides, we do not anticipate any
11 transmission constraints on Ameren Illinois that
12 would inhibit adequate supply to the RES customer
13 load in Ameren territory. As we know, RES has
14 designated their supply and resources to MISO and
15 make transmission arrangements for thereof.

16 I'm going to turn it over to Ron Pate
17 now; let him go over a few slides.

18 MR. PATE: Thank you, Brice. Thank you,
19 Chairman and Commissioners for the opportunity for
20 Ameren Illinois to come before you and talk about our
21 summer preparedness.

22 I apologize for the voice. I love the

1 warm weather, but with that comes allergies. If I
2 take the medication, I tend to doze off, and I did
3 not take it this morning. Please bear with me here.

4 Okay. I'll summarize these slides,
5 and I certainly will not go word for word over those
6 today. Actually, on Slide 10 here, we conducted a
7 summer operating study and test the system and
8 provide direction to our operators. We also
9 participated in a MISO-wide assessment. We found no
10 issues with the system and verified that no Ameren
11 Illinois transmission facilities are anticipated to
12 be lower than 100 percent the expected loads.

13 Going on to the next slide -- have
14 you --

15 MR. SHERIFF: No, I got it.

16 MR. PATE: You got it? Okay.

17 We are compliant with NERC standards
18 on vegetation management. And we also have an effort
19 underway to expand for further clearance to mitigate
20 the future risk of as far as trees getting in the
21 lines there, so asking for a successful, even longer
22 as well. We have to realize here the wider the

1 right-of-way, the more clearance we have, the less
2 likely we're going to have any tree issues.

3 I'm very happy with the next slide.

4 We have the fourth -- this is the third year in a row
5 that both our subtransmission and distribution
6 feeders as well as our substations are expected to be
7 loaded within the applicable ratings even at worst
8 case summer peak scenarios. So I'm happy to report
9 that because that has not always been the case. So I
10 have this -- we've talked about issues we've had with
11 either our transformers.

12 With the investments we've made, we've
13 been able to reduce that, and, again, happy to report
14 that we are with that couple of ratings there.

15 Slide 13, you can see some of the work
16 on this slide as well as the next slide, obviously,
17 we've been working on the Energy Infrastructure and
18 Modernization Act. The result of this work, as Terry
19 stated with some of his stats, we did the same thing.
20 The SAIFI, the frequency values, we were able to
21 reduce 19 percent, and the duration of CAIDI is 17
22 percent.

1 So that shows you some of the more --
2 some of the projects working on -- a couple of them
3 where we really look at that, is the distribution
4 allocation projects, reduce the number of customers
5 out there that do have an issue. And certainly, the
6 Viper, the recloser service to do the same thing. So
7 that's going to have an impact -- a positive impact
8 on a customer -- not experiencing outage as we have
9 in the past.

10 Slide 14, basically again, with the --
11 what I want to point out here -- if you go a little
12 bit down, there's a good reason for that, we provide
13 upgrades in our system to make sure we can -- we have
14 the capacity to serve our customers. So that's a key
15 on Slide 14.

16 On Slide 15, our Distribution Vegetation Management
17 program is compliant with our one-year cycle. We
18 have resulted in a reduction of tree outages since
19 2009 through our program. We also do a lot of
20 education with the communities on this with "my safe
21 trees," and, you know, that's important. We go
22 through, along side of the ROW trees. We even trim

1 down and cut them back, and then, you know, find out
2 the community's had a beautification project and want
3 us to send them trees that are going to cause us
4 issues in the future.

5 So we get a lot of values through
6 that. And also, just personal ties with the
7 communities, stay in touch. Try to learn about
8 programs like that, and getting involved, Right Tree
9 Right Place. That does make a difference in that.

10 On the next slide, that's just an
11 example of our ongoing reliability improvement
12 improvement initiatives including comprehensive and
13 device inspections; early identification of our worst
14 performing circuits and making repairs on those; pole
15 inspections. And then we have installed about 3,000
16 composite poles. That's important because as part of
17 our storm-hardening process.

18 Our new projects will install these
19 composite poles every fifth pole, and that helps us
20 eliminate that cascade or domino effect when we have
21 one pole go down and they just keep going. These
22 composite poles, the storm structure we put in with

1 the replacement, will limit that damage.

2 So we did that on infrastructure, and then as well,
3 identified some of the circuits that have had issues
4 in the cascading in the past, and come back and
5 install those composite poles or storm-hardening
6 structures there as well. And that's had a very
7 positive impact.

8 For our system operations and control,
9 we anticipate we participate monthly in Load Shed
10 Drill with Transmission Operations and MISO. We
11 continually review and enhance our operating
12 guidelines with all personnel in our dispatch
13 offices. And we also make sure all of our system
14 improvement projects are completed before summer's
15 peak -- before summer peak so there aren't issues.
16 We'll operating in normal operating conditions during
17 those periods of peak heat. That would mean getting
18 all of the construction lined up, getting it out of
19 the way so we won't have outages where we're actually
20 adding load to the system operations, where we could
21 have a bigger impact. If we did have an issue,
22 customers would have a few days to get requests.

1 The next slide, as you can see this
2 slide, we activated our emergency response center
3 nine times in 2017 for electric outages. We did have
4 to activate it one time for a gas outage we had in
5 Pike County, as well.

6 We also supported the events, the
7 hurricane events of Harvey and Irma. And so far this
8 year, knock on wood, we have not had to activate our
9 emergency center. But we did support the Puerto Rico
10 restoration through our EOC even though it wasn't a
11 formal activation.

12 I appreciated Terry's comments and
13 slides he put there -- Puerto Rico -- because it
14 truly was a -- a -- life changing for some of our
15 people. I was fortunate enough, I did spend three
16 days in the -- up in the jungle, and I was with these
17 folks and it just -- just the way they welcomed us --
18 they didn't have power for six months when we got
19 there. Even before that, I mean, the system was not
20 issue before that. We talked to people who didn't
21 have power two to three weeks before storms ever hit.

22 And those are the kind of people we

1 met there, and I'd be glad to talk a little more on
2 that. But just firsthand experience that was just --
3 it was really -- it was really good for me. And I
4 can tell you, I was reluctant at first to send the
5 people, simply because of -- I was worried about
6 safety and how that was going to be handled. Just
7 takes more of a -- just an enormous task and we were
8 going to go handle that. And in hindsight, I'm very,
9 very happy that we were able to participate, and I
10 was able to be part of that.

11 So, Brice, I'll turn it over to you to
12 wrap it up.

13 MR. SHERIFF: Just a couple more slides to go
14 through here.

15 Ron mentioned our emergency activation
16 center. When that's activated, obviously, you know,
17 we need contact centers, communications with our
18 customers. We have an integrated call center. We
19 have a large service territory, call centers
20 throughout that service territory.

21 We're also able to activate home
22 agents, available for additional support. We have

1 community relations -- or we have community relations
2 coordinators that are strategically located
3 throughout our service territory. These folks, this
4 is their full-time job, as, obviously, they interact
5 with local officials, mayors, what have you, and
6 develop that line of communication. In the event
7 that we have natural disasters or outages or things,
8 they have a direct line to communicate with our
9 company and be able to try and meet their needs.
10 The media relations, obviously, we do the social
11 media, the Twitter and so forth. We have digital
12 customers -- customer service reps that respond to
13 through social channels as we're a -- as well as a
14 24-hour media hotline. We continue to work with
15 safety training to prepare first responders for
16 disaster and safety or recovery.

17 The next slide is, as Brian mentioned
18 earlier, is our map. We activated this in 2017. If
19 you saw our map before, it was, for lack of a better
20 word, old. It didn't really have a lot of features.
21 This one is state of the art, and allows customers --
22 as you can see, we actually had a better weather day

1 when we took this photo. You can see how the weather
2 interacts with the service territory.

3 The neat thing I like about this,
4 personally, was this allows us to send direct
5 messages to customers that are having outages. So if
6 it's in the middle of the summer, it's hot, tornado
7 comes through, we can put a message out there where
8 maybe a cooling center is located or where people can
9 go to get water or things of that nature. So it
10 really allows us to communicate directly with our
11 customers.

12 We always try to encourage folks to
13 download the app. I mean, we all know that's the
14 easiest way to communicate with them. We continue to
15 do more traditional things such as the budget billing
16 inserts to remind customers of those options that are
17 available. We have summer media, multi-media
18 campaign, both digital broadcast, social media. We
19 continue to look at ways to communicate with
20 customers. Talk about projects in their area, and
21 assuring them we've got -- we're going to be
22 delivering energy through the extreme temperatures

1 and through the weather -- summer weather conditions.

2 Lastly, our window air conditioner
3 donation, we started this in 2003. This has been a
4 great project. You know, to see the looks on folks'
5 faces when they receive these. As we all know,
6 summer's heat can be, you know, a lot to deal with.
7 These are LIHEAP agencies we work through for
8 LIHEAP-eligible customers. So it's a great program
9 that we offer.

10 In summary, just to recap, Ameren
11 Illinois has acquired generation capacity and has
12 transmission and distribution capability for 2018.
13 We're working to complete maintenance and system
14 upgrades to reduce customer interruptions. We
15 continue to work -- monitor weather, and deal with
16 those types of situations when they should arise.
17 And we're always looking for ways to improve our
18 customer service and our performance.

19 Thank you, Tomás.

20 MR. RODRIGUEZ: Great. Thanks, Brice and Ron.
21 Really appreciate the comments.

22 And just one note about, Ron, your

1 experience in Puerto Rico and when Terry was
2 addressing that. These slides will be online; they
3 are online. And so some of those went through real
4 quickly, so, please, feel free to visit those and
5 study further.

6 So at this point, we do want to take
7 some time for Q&A. So, Commissioners, Chairman, do
8 you have anything to start us out with?

9 COMMISSIONER ROSALES: Absolutely. Thank you,
10 Tomás.

11 Brice, will you go back to page 6,
12 please?

13 MR. SHERIFF: 6?

14 COMMISSIONER ROSALES: 6.

15 MR. SHERIFF: Yeah. I can't read the slides.
16 I can't read what that is.

17 MR. RODRIGUEZ: That's 8. There you go, right
18 there.

19 MR. SHERIFF: Okay.

20 COMMISSIONER ROSALES: So -- and I know this is
21 a forecast, so your areas you expect the summer peak
22 at over 5,000 megawatts, and what you're delivering

1 from your side, from Ameren, is 1,666 megawatts,
2 correct?

3 MR. SHERIFF: Well, it's both the fixed-time
4 and real-time prices. So 1,666 megawatts --

5 COMMISSIONER ROSALES: Okay. I understand. I
6 see.

7 But you still almost -- it looks like
8 you have a five-to-one ratio between the area and
9 what you supply, right? So it's a five-to-one ratio.

10 Sue, where -- what -- whose
11 responsibility is it when you say, you know, you
12 have -- the days are longer and you have these folks
13 going and knocking on the doors; people don't
14 understand about, you know, electricity and how it
15 works and who supplies. Yet, there's a five-to-one
16 ratio in the Ameren territory, saying that -- does it
17 all -- is it Ameren territory that understands about,
18 you know, how this -- how this works, and we don't in
19 Chicago, or what's the -- tell me.

20 MS. SATTER: Okay. So what you're looking at
21 are the usage numbers that I can't see it, so I
22 assume this is megawatt hours or kilowatt hours.

1 MR. SHERIFF: Megawatt hours.

2 MR. PATE: Yeah.

3 MS. SATTER: So that includes industrial --

4 COMMISSIONER ROSALES: Okay.

5 MS. SATTER: -- commercial --

6 COMMISSIONER ROSALES: Yeah.

7 MS. SATTER: -- and municipal aggregation.

8 COMMISSIONER ROSALES: Fair. Okay. Good.

9 MS. SATTER: So in the residential class, 90

10 percent of the residential class is served through

11 municipal aggregation.

12 COMMISSIONER ROSALES: Got it.

13 MS. SATTER: So that means only 10 percent of

14 that group is subject to the door-to-door. So --

15 COMMISSIONER ROSALES: Very good.

16 MS. SATTER: And also, Ameren, I believe has a

17 larger industrial and commercial load than a

18 residential load, so it's skewed that way.

19 COMMISSIONER ROSALES: Very good. Very good.

20 Very good.

21 So let me ask you from -- a larger

22 question. Whose responsibility is it for customers

1 to understand their electric bills? Who is -- where
2 does this start?

3 This is not something we had in fifth
4 grade, sixth grade, but --

5 MS. SATTER: No.

6 COMMISSIONER ROSALES: You know -- you know,
7 it -- I mean, you put fillers in and we send the
8 bills, but where's -- how do we get these -- how do
9 we get customers to understand a little bit more, so
10 it's not a surprise when they come in?

11 MS. SATTER: Well, I think the first thing is
12 we have to know where we're starting from. And
13 although there's been -- we -- this restructuring
14 took place 20 years ago, really, the change to retail
15 availability is maybe 10 years, where people are
16 really seeing that because 2006 was when the big
17 change happened, and then there were -- there was a
18 period where the IPA price was a little high, because
19 that big drop in prices that happened,
20 coincidentally, with the fracking. So I think the
21 main thing is that people don't nec- -- they look at
22 their bill, and it's got 20 lines, different things,

1 full disclosure, but sometimes it's kind of
2 overwhelming.

3 Even though most bills are broken out
4 by supply, a delivery, taxes and fees, people don't
5 necessarily think electricity delivery supply. I
6 don't know that they necessarily understand that. So
7 that's just an education thing that's just going to
8 take time.

9 But as far as the prices go, we think
10 that it's critical that the prices be available to
11 people on -- that -- the apples-to-apples prices be
12 available to people at the time a sale is being made.
13 Because people look at their bills, they look at the
14 bottom line, my electric bill is this. They don't
15 think of it, except for those who have looked at
16 pricing and those people who really have an interest.
17 And there're some of those, maybe 10 percent of the
18 population. It's not insignificant. You know,
19 people who really like this stuff, they might know,
20 they might follow. But the other people, they look
21 at the bottom line. And the problem is that because
22 most people aren't experts, and most people want to

1 save money, they are vulnerable to a presentation, "I
2 will save you money," and when the devil's in the
3 details, they miss the details.

4 So we're convinced that when the
5 numbers are side by side, for example, on your bill,
6 one of our proposals in General Assembly right now,
7 is that when there's a supplier, the utility includes
8 what its price would be for supply. That way, every
9 day, some people can -- every month -- if they look
10 at their bill; you can't force them to look at their
11 bill -- we've got that, but it's available to them,
12 and they might see how -- what is this difference.

13 COMMISSIONER ROSALES: I see.

14 MS. SATTER: So it's really information because
15 a market requires symmetrical information, and we
16 don't have it. And particularly, variable rates when
17 the suggestion is, Well, look at the index -- I'm
18 sorry. It's just I can't see. You look at an
19 index -- interpret the index supply compared to the
20 appropriate thing, it's education.

21 COMMISSIONER ROSALES: Okay. Thank you.

22 MR. RODRIGUEZ: I'll look to the panel for any

1 follow-up, and if not, back to the commissioners and
2 the chairman for any questions.

3 COMMISSIONER ROSALES: We're good.

4 MR. RODRIGUEZ: Okay. And so what I'm
5 wondering is, you know, off of this conversation, and
6 I know we have a couple of other people, if
7 necessary, but what -- you know, what kind of a
8 programs and educational opportunities are the
9 utilities offering or may have out there already
10 about, you know, supply charges, and this topic, or I
11 would say related programs that -- that may be
12 available?

13 MR. DONNELLY: I would add that, you know, I --
14 you know, for ComEd and probably all of us, we're all
15 for transparency in the best ways we can do that. I
16 think what we see is some improving year-over-year
17 numbers of customers taking some advantage of the
18 smart meter data. This is a year-over-year
19 educational challenge.

20 So for things like, you don't look at
21 your bill until, you know, it comes in. We do have
22 183,000 customers, now, signed up for high-bill usage

1 alerts. So that kind of gives them, you know, some
2 you know, you kind of set it, you go in there and,
3 you know, kind of gives, like, some early warnings,
4 especially in that air-conditioning period, of what
5 your bill's going to be.

6 And, you know, when you look at four
7 million customers, okay, but the number keeps
8 increasing. Like the peak-time savings, the
9 high-us- -- we have weekly usage reports through the
10 smart meters.

11 That's about -- just under 50,000 now
12 have subscribed to that. You know, of course,
13 there's the whole suite of energy efficiency
14 programs.

15 But I think as we see smart
16 technologies continue to get more and more prominent
17 and information to consumers through education, when
18 we see some more tools that kind of have earlier
19 awareness, you know, of your bill like the high-usage
20 alerts, so I'm just -- that's what I'm looking at.

21 MR. RODRIGUEZ: Anyone else?

22 MR. RYBARIK: Well, this may be not as much of

1 a pure customer-focused issue, but as I talked about,
2 we're looking at, you know, some more
3 customer-oriented viewpoints, and that's certainly
4 helping us figure out more and more what customers
5 actually are using as far as information. And we've
6 talked to some, like, energy management entities, and
7 I think that those are really going to help drive
8 customers into being able to state preferences of
9 what they want and be able to sort of manage their
10 energy systems a little bit -- a little bit more.
11 We don't have a deployment of smart meters in our
12 Illinois service territory, as we're a relatively
13 small utility here, but that's something that we're
14 also investigating now, whether or not that's going
15 to help.

16 But from our generation side, and I
17 think this is sort of stuff, for us, that trickles
18 down, we're looking at, like, different sensing
19 devices and different analytics to make sure we're
20 continually operating our generation units as
21 optimally as we can. We have a lot of wind units.
22 When those run, they help us, with among other

1 things, production tax credits. So we have this
2 massive incentive to make sure those are operating as
3 efficiently as they possibly can.

4 And we're looking at different ways of
5 analyzing data from those. And I think what's going
6 to trickle down into our distribution systems, and
7 look and see are we operating those facilities as
8 maximally efficiently as we possibly can. And get
9 more and more data points for us to operate that
10 system better for customers.

11 MR. RODRIGUEZ: Thanks. And I think that's
12 really important. Data is, you know, so usable and
13 prominent right now. So...

14 We are -- we're running a little over,
15 but I had one more question I wanted to throw out,
16 unless the chairman or commissioners have anything.

17 So, really, kind of generally, I --
18 we're now into the FEJA era, for lack of a better
19 term, and we've heard about some of the changes that
20 EIMA brought, the positive things that it has helped
21 with. For instance, the 800,000-plus truck rolls
22 avoided at ComEd, you know, the related ability to

1 ping, you know, the outages remotely.

2 So what -- can we articulate how FEJA
3 is going to help with summer operations or how the
4 data from EIMA will continue that trajectory?

5 MS. BLAISE: Yeah. I mean, we talked a little
6 bit about our energy efficiency programs, which
7 should help customers reduce usage, especially summer
8 usage, but we have \$351 million, roughly, of annual
9 spend. And we've got a significant number of
10 programs that are in place. We've created new
11 programs -- and Amalia's (phonetic) here from our
12 energy efficiency organization -- we can add some
13 more. But we're -- but right now, have achieved
14 about 266 megawatt hours of savings just through this
15 year, going to a goal of about 1.7 million megawatt
16 hours, and we're on track to get that. And that's a
17 significant component of FEJA that -- should it
18 reduce load and enable customers to save money.
19 That's one example.

20 COMMISSIONER ROSALES: I see.

21 MR. RODRIGUEZ: Absolutely. And that's exactly
22 what I was getting at. Thank you very much.

1 Any other thoughts?

2 MR. SHERIFF: Just to add to that, from an
3 energy efficiency standpoint, as many of you know, we
4 have an energy efficiency docket that was up some
5 time ago, and then approved.

6 You know, we took a new -- our CEO,
7 Richard, took a new philosophy on a lot of the new
8 energy efficiency programs we're doing, and
9 earmarking those towards low-and moderate-income
10 customers.

11 I think he has a firm belief that, you
12 know, these residential customers, that the cost of
13 these programs were spread across our entire customer
14 base, yet, not everybody can take advantage of them
15 for obvious reasons. That does us no good to go to
16 someone's home and fix a -- give them a more
17 efficient furnace, but they've got holes in the roof;
18 I mean, it completely defeats the purpose.

19 So, you know, we've had a strong
20 emphasis on both minority participation in our energy
21 efficiency programs as well as focused on low-and
22 moderate-income.

1 So, you know, in our mind at least,
2 it's kind of changed the whole way we think about
3 energy efficiency. While goals are important and we
4 need to be -- hit those goals and do everything we
5 can to get the goals, not at the cost that not all --
6 all of our customers get to participate in the
7 programs. So it's a little bit of a philosophical, I
8 think, change that we're seeing, at least from
9 Ameren's camp.

10 MR. RODRIGUEZ: Great.

11 Neil, did you have something?

12 MR. HAMMER: Yeah. I would just say from
13 MidAmerican impact, it was also significant of FEJA.
14 A little different than Ameren and ComEd, you know,
15 we are a participant in the Illinois Power Agency
16 procurement for a small portion of our energy needs
17 as well. So those procurements, except the solar and
18 the wind, the rest is helping our Illinois customers
19 get access to sources of clean energy. Also the
20 zero-emission credits for that corner of Quad Cities
21 which was a beneficiary of that program and -- so
22 that not only helps us obtain more of the resources

1 we need for resource advocacy both in Iowa and in
2 Illinois, and also South Dakota. But they're also in
3 the Quad Cities area there.

4 MR. RODRIGUEZ: Great.

5 Well, unless there was any other
6 thoughts, I think that's about all the time we have,
7 so we will wrap this up and take a 5-minute break.
8 So please return in about 5 minutes or so for our
9 next panel.

10 (After a short recess, the
11 session resumed with the
12 second panel as follows:)

13

14

15

16

17

18

19

20

21

22

1 MS. GUTIERREZ: Good morning, everyone. I am
2 Tanya Gutierrez, legal and policy advisor to
3 Commissioner John Rosales, and welcome back to the
4 second panel for Summer Preparedness Policy Session.

5 During this panel, we will hear from
6 MISO and PJM on how they are preparing to meet the
7 distribution- and weather-related challenges during
8 the upcoming summer months. We will also be hearing
9 from Citizens Utility Board, who will address how
10 consumer advocates address the question of summer
11 preparedness.

12 The panel format will be as follows:
13 Each organization will provide a 10- to 15-minute
14 presentation, followed by a discussion and Q&A. As
15 always, the chairman and commissioners are welcome to
16 ask questions at any time.

17 Our panelists this morning are Robert
18 Benbow from executive -- I'm sorry. He's the
19 executive director of energy market process at MISO.
20 Paul McGlynn, senior director of system operations at
21 PJM. Evelyn Robinson, managing partner of state
22 government affairs at PJM. And Kristin Munsch,

1 president of CAPS, the consumer advocate of the PJM
2 states, and deputy director of Citizens Utility
3 Board.

4 Robert, if you could, please get us
5 started.

6 MR. BENBOW: All right. Thank you and good
7 morning, everyone.

8 All right. Good morning. We'll start
9 off with MISO, just a little bit of background. They
10 operate out of three regions for MISO. We have an
11 extremely large footprint geographically. So when we
12 talk about summer readiness or just readiness in
13 general, to me, being what we call resilient or
14 reliable, you have to prepare for events. And our
15 footprint gives us lots of opportunities to be
16 prepared if you think about our geographic location.

17 So not only do we have to talk about
18 summer readiness from a heat perspective, and make
19 sure we have enough capacity, we need to operate
20 through those kind of conditions. We have storms
21 that go through our footprint. We also are exposed
22 to hurricanes now, and we had several opportunities

1 last year to go through our readiness programs for
2 hurricane readiness as well, in our south region.

3 So all that begins with event
4 management, so it's all about planning: Having a plan
5 going into an event, how well you are prepared, how
6 well you manage that event, and then how fast do you
7 recover. That's kind of the definition of resilient
8 operations. This is nothing new. I think we've been
9 doing this for a long time. I think it's just a new
10 buzzword, if you want to put it that way. A lot of
11 what counts around reliability.

12 So we're going to talk about what
13 we're ready for for this summer. Three things I want
14 to leave you with to make sure you -- as a takeaway.
15 We have adequate supply for this summer, to meet our
16 demand and operating reserve compliance. We also
17 have studied the transmission system, and we do not
18 see any transmission issues for this summer that
19 would impact operations, And we are prepared. We
20 even went through a lot of readiness training for our
21 operators, and I'll share some details on that here
22 in this presentation.

1 So looking out for this summer --
2 looking out for this summer, we project to have about
3 17 percent as a planning reserve margin target.
4 We're about 2 percent above that. So we have
5 adequate supply in the near operating requirements.
6 The forecast for this summer, warmer temperatures
7 than normal for the southern part of our footprint,
8 where we are expecting.

9 Look at some trends here over the last
10 couple of years, just to show you our -- how demand
11 has actually -- our forecasted demand has been
12 trending down over the last three years. Not
13 significantly, but there was a slight trend down.
14 Our reserve margins have went up as far as a
15 requirement. And on our reserve beyond that, are
16 slightly down from last year.

17 So in order to have adequate supply to
18 meet our obligations, there's a lot of work that has
19 to be done by load-serving entities, by states, local
20 jurisdictions, to make sure that we have adequate
21 resources to meet our obligations. And MISO engages
22 with those folks, and we appreciate all of the work

1 that is done to ensure that we have adequate
2 resources for the summer.

3 I'll walk you through the emergency
4 procedures that we get into when we actually get into
5 an event or arrangement having to step through our
6 process.

7 One thing to note when you look at our
8 forecasted reserves for the summer, we are seeing
9 more demand response as a part of our resource mix.
10 With the increase in demand response, under our
11 probable scenario, we will most likely have to be
12 into emergency procedures in order to get access to
13 that, those resources. And that's just how our
14 procedures are defined, that we have to go into
15 emergency to access the demand response. So those
16 are your load-modifying resources that you have out
17 there, behind-the-meter generation and demand and
18 response that make up about 11 percent of our total
19 capacity.

20 So that reserve margin that we have,
21 after you take all the outages out of there from
22 forced -- planned maintenance that's going on, it

1 leaves you with about 11 percent, and most of that is
2 served by demand response or behind-the-meter
3 generation.

4 So if we get into a high-level
5 scenario with probable normal outages, we will have
6 to be into our emergency procedures to gain access to
7 that. So don't -- I guess I would like to share with
8 you, but don't be shocked when we go into our
9 emergency procedures. It's part of the process to
10 get access to those resources, and clear our market
11 at our available true all-time and operations to
12 commit to meet your demand.

13 So what you will see from a procedure,
14 if you kind of walk into a scenario, we do a lot of
15 planning from an operations perspective. So
16 there's -- there's a lot of planning from an annual
17 perspective that leads up to this. There's your
18 monthly planning, and then operations starts picking
19 them up seven days out. We start looking at our
20 resource mix, our congestion, and identify if we have
21 any transmission issues. Identify if we have any
22 capacity issues. And then we talk about his every

1 day, early in the morning, as far as here is what our
2 plan is for today, here's what happened yesterday,
3 here is what's coming up for the next five days.

4 And what we'll do is, if we see
5 something where we're going to be short, we'll
6 implement our procedures. So that's not uncommon to
7 see conservative operations for hot weather come out
8 several days in advance. When you see that, we are
9 concerned about our position for those upcoming days.

10 A hot weather alert indicates that we
11 see temperatures that indicate high-load days, and we
12 have a concern for capacity. We're not in a max-gen
13 alert at this point. We're not meeting that
14 criteria, but there are concerns that system
15 conditions can change and we can easily be into a
16 max-gen alert.

17 Those are our procedures that we have
18 to give our members, indication that we're seeing
19 issues. We share this with them. We communicate
20 this with them. We have conference calls with all
21 our members and our neighboring reliability
22 coordinators as well.

1 Once you get into the operating day,
2 you've got your walk-through, the max-gen procedure,
3 we make sure all the available resources of MISO are
4 utilized and meet our obligations. And we start with
5 making sure all of our resources are committed to
6 meet those obligations, and we walk right through
7 this process here even up to purchasing emergency
8 purchases from our neighbors if we have to, to ensure
9 we have adequate resources. And that can go all the
10 way from load shed, as well, to protect the integrity
11 of the ultrametric system.

12 This slide here walks us through how
13 we get there. So a lot of things that we focused on
14 here in the last several years was gas-electric
15 coordination, it was a big initiative. In the summer
16 it's not a big deal as we have adequate supply for
17 gas and fired generation in our fleet. This becomes
18 more of a concern when we get into winter operations.
19 But we do have coordination, so if there is an
20 extreme condition in the gas industry, we have that
21 relationship established with them, and can pick up
22 the phone call -- or the phone and talk with them,

1 and have -- get an operating plan for the day,
2 including them in that process.

3 Emergency preparedness, there's a lot
4 going on here as far as being prepared. We have
5 workshops for summer readiness. We have emergency
6 workshops with our neighboring reliability
7 coordinators and our members. We also do drills with
8 our system operators.

9 Currently, right now, we have a
10 six-week program going on where we do capacity
11 shortage condition training. This is with our
12 members, so our balancing authority -- local
13 balancing authority members, transmission operators,
14 end-market participants participate in this. We also
15 included are neighboring reliability coordinators to
16 participate in this drill as well.

17 So we walked through these
18 capacity-producing procedures. We don't use them
19 often, but if you don't train, don't drill on it, you
20 will not execute on it when you need to in an
21 emergency. So you have to do training with the
22 operators.

1 We have monthly drills as well that we
2 do on certain protocols to ensure a good response.
3 So we walk through what we call bug modifying
4 resource drills with our members. So every month
5 we'll go through an exercise to make sure they know
6 how to get into the application. Give us an
7 indication of what's available, and gives our
8 operators an opportunity to look at what's available,
9 and then actually be able to pull the trigger on that
10 if they need to. So that gives us a good response
11 for our -- our protocols.

12 We also do firm load shed drills
13 and -- with our operators as well. So walk through
14 if we have to do a capacity emergency load shed,
15 where you've got to do it across the entire
16 footprint, Our process is to do it firm wide. And
17 that is distributed amongst all of the local
18 balancing authorities within the footprint. And that
19 would be for the defined subarea.

20 But if you have to deal with 36
21 members, you have to have some kind of electronic
22 process that makes sure that is done reliably,

1 because it has to be done quickly. So we practice
2 and we drill on that.

3 Other things that we participate in
4 are GridEx. So we participated in GridEx every other
5 year. And we take lessons learned from that and
6 apply that to our operations.

7 Another place where we locate industry
8 best practices are The Margin Revenue Transmission
9 Forum. So this is a forum that we can have peer
10 reviews for operations. So the group will come in
11 and do a peer review of your operations. We can also
12 participate in other ISO or another member peer
13 reviews.

14 So you can get the evaluation; it is
15 not an audit. It gives you an opportunity to share
16 best practices, identify where you might have gaps,
17 and then you can actually put mitigation plans in
18 around that, and improve your operations going
19 forward. So that is a great opportunity to improve
20 overall.

21 Our generation portfolio, a lot of
22 people talk about resilience in this area. To us,

1 that's flexibility, to make sure that we have
2 flexibility with our resources. Gas resources
3 provide a lot of flexibility to respond to events
4 that happen with the system -- with a lot of
5 renewables in the footprint.

6 Operational readiness, we talked a lot
7 about communications coordination. We have daily
8 calls with our members and our neighbors. And then
9 when we're in an emergency, those increase as well.

10 Process, the way you ensure that you
11 have a good outcome is to make sure you have good
12 processes in place and you train your operators. We
13 have six different teams in the control room, and we
14 monitor to make sure they all perform the same way.
15 You've got to have a good process and you have to
16 train them for what they'll do -- training program.

17 Okay. Stakeholder awareness and
18 communications, again, here it's all about being
19 transparent, understanding what our position is and
20 sharing that with our members to make sure we operate
21 reliable end of that.

22 We have different communication

1 protocols for capacity emergencies, which we went
2 over; transmission system emergencies and forced
3 outages, all that is shared.

4 We use our own internal communication
5 application. We also have a reliability coordination
6 information system that we use amongst our peers as
7 sort of reliability coordinator to share information.
8 This goes anything from abnormal events for
9 communication: hot weather; high-load days; capacity
10 shortages; adverse weather; severe weather that might
11 be applicable to your footprint, so hurricanes,
12 tornados, ice storms. It's not even uncommon here,
13 just recently we had a snow storm, and that was in
14 the northern part of our footprint. And we had
15 tornados and thunderstorms down in the southern part
16 of our footprint.

17 Part of that risk is having multiple
18 events going on at the same time, and we do that to
19 mitigate that, make sure we have adequate and trained
20 staffing.

21 So just in -- just what I want to
22 leave you with, basically, for 2018, 2019, we have

1 adequate resources to meet our obligations for the
2 summer. We have 19.1 percent for our margin, for the
3 requirement, a little over -- just that 17 percent,
4 to meet our forecasted peak this year of 124.7
5 gigawatts.

6 Transmission system, as our studies
7 indicate no issues for the summer, and we are engaged
8 with state officials, stakeholders to maximize
9 preparation for summer during an emergency. So we
10 are ready to live through this summer.

11 And that's all I have.

12 MS. GUTIERREZ: Okay. Thank you, Robert.

13 Did the commissioners have any
14 questions at this time?

15 (No response.)

16 MS. GUTIERREZ: Okay. Then we will move on to
17 Paul.

18 MS. ROBINSON: Thank you so very much.

19 MS. GUTIERREZ: And Evelyn.

20 MS. ROBINSON: Yes. Thank you so very much.

21 PJM is pleased to be here today to
22 share information regarding how prepare- --

1 COMMISSIONER ROSALES: Evelyn, is your
2 microphone on?

3 Okay.

4 MS. ROBINSON: Let me start over.

5 PJM is very pleased to be here today
6 to share information about how prepared we are for
7 the summer operation. Paul McGlynn will go through
8 our slide presentation, and both of us will be here
9 and happy to answer any questions you may have.

10 Paul?

11 MR. McGLYNN: Good morning. Again, my name is
12 Paul McGlynn, and I appreciate the opportunity to be
13 here with you today to talk about our preparedness
14 for this summer.

15 I won't dwell on this slide for long.
16 It's a long-range prediction of climate prediction
17 for what we may expect to see from temperatures this
18 summer. There are -- the NOAA is predicting higher
19 than normal temperatures, really across a significant
20 portion of RTO with a higher chance of high
21 temperatures in the eastern part. And why that's
22 significant for PJM in particular is, you know, much

1 of our load is along the eastern seaboard, and higher
2 temperatures in the east, obviously, will drive
3 higher demand on the system.

4 COMMISSIONER ROSALES: Just a clarification, if
5 you can go back.

6 MR. McGLYNN: Sure.

7 COMMISSIONER ROSALES: So that map is different
8 than the last one that we saw, I believe from MISO or
9 Ameren. Which forecast are you using here? Because
10 the last -- I believe on the last one we saw most of
11 Illinois was considered in the orange area. And in
12 your -- in this one, Illinois is not even involved in
13 the orange area.

14 So I'm just trying to figure the --

15 MR. McGLYNN: Difference, sure.

16 The source is the same. I think the
17 difference just may be this is slightly updated. The
18 MISO map may have been based on a March update; this
19 is the latest available, anyhow, as of April.

20 COMMISSIONER ROSALES: Okay.

21 MR. McGLYNN: Just quickly, kind of a
22 year-over-year comparison of the load generation on

1 the system. And you can see the PJM has a rate
2 that's only about half of a -- half of a percent.
3 And the expected forecast peak load for the overall
4 RTO is just over 152,000 megawatts for this year.
5 Our generation profile is very similar with -- it's
6 similar with having installed capacity, 184,000
7 megawatts of generation, and just over 9,000
8 megawatts of demand resources.

9 Our required reserve margin is
10 actually lower this year, though. And the reason why
11 our reserve margin is lower is that the required
12 reserve margin is 16.1 percent. You know, the
13 generation fleet within PJM has been -- has been, and
14 I'll say, turning over. We have a lot of new
15 entrants, a lot of new generation coming online, and
16 as well, older plants going -- retiring and
17 deactivating. And then, basically, the difference in
18 the reserve requirements year over year is due to the
19 better generation performance, primarily.

20 This slide just for a point of
21 reference, you know, so of that 152,000 megawatts,
22 ComEd is on the order of about 22,000 megawatts --

1 just over 22,000 megawatts for normal peak load
2 contribution, anyhow.

3 Just a quick picture of our -- our
4 generation picture. This is -- the map depicts new
5 resources on our system that we have for this summer
6 that we did not have last summer. So -- I mean, it's
7 over 5,000 megawatts of new generation within the PJM
8 footprint. The majority of those megawatts come from
9 new combined-cycle, gas-fired resources. But there
10 is still, in terms of the numbers of new
11 installations, there's a lot of solar activity. As
12 you can see some of the smaller dots towards the
13 eastern part of the RTO are primarily solar -- solar
14 installations, and as well, continued interest in
15 wind projects as well.

16 From a transmission perspective, this
17 is just, again, some new transmission. Some of the
18 more significant upgrades that we've done to the
19 system since summer of 2017. One of them I'm going
20 to highlight in the ComEd zone is an upgrade to an
21 existing 345 kV line, actually imbedded at The Logan
22 Center.

1 It was an upgrade that was completed
2 sometime in the December time frame. It was
3 originally put into the regional transmission
4 expansion plan to improve the efficiency market,
5 efficiency of the system. And we had seen congestion
6 in real time on that particular facility, as well as
7 it was limiting us in some of our higher-capacity
8 markets as well. So with that upgrade, that will
9 largely address that limitation, anyhow.

10 So in addition to the changes to the
11 system, the increased load that we expect, the new
12 generation, new transmission, we obviously also go
13 through and do a lot of analytical work: analyzing
14 the system, assessing the system to see how it will
15 perform against all of our different reliability
16 criteria. We did what we call -- it's our operation
17 analysis task force, OATF study, and we used the peak
18 load forecast of just over 158,000 megawatts. And
19 you may recall that number's slightly -- did I
20 mention 152,000 earlier for the overall RTO expected
21 peak load.

22 We took a very conservative approach

1 to this study that we did. We took the individual
2 peak loads of each of the different zones within PJM
3 and added them up. And that, if you add them all up,
4 it comes up to 158,000 megawatts. So obviously,
5 across the RTO on any day, there's a -- you know,
6 ComEd, for example, peaks later than a lot of our
7 eastern RTOs. So the overall RTO peak is going to --
8 expected to be about 152,000 megawatts, but if you
9 added up each individual transmission zone within the
10 RTO, it would add up to about 158,000 megawatts of
11 load.

12 So that's the value that we studied
13 the system at, with a power-flow modeling. We put
14 the imports that the interchange is what we would
15 expect based on commitments that have been made in
16 our capacity market. We have installed capacity. We
17 simulate, if you will, a number of discrete
18 generation outages. That 12,000-megawatt number is
19 consistent with what we would expect to see for a
20 forced outage rate of generation somewhere around the
21 order of around six percent forced outage rate.

22 But to make a long story short, ran

1 through all of the analyses, and we don't expect to
2 see any problems from a transmission loading
3 perspective. With -- you know, with all of the
4 different scenarios and things like that that we
5 studied, there may be the need for some off-cost
6 generation to manage specific thermal issues or
7 voltage issues, but that's -- you know, that's always
8 fairly routine. And you know, we really don't expect
9 this to -- need to implement any emergency procedures
10 or anything like that based on the analyses that
11 we've run to date.

12 So just in general and in closing, you
13 know, we've completed this summer seasonal
14 assessment, and you know, aren't expecting any
15 significant issues. We do conduct emergency drills.
16 There are -- will actually be a RTO-wide emergency
17 drill on the 14th, next week, that all of our members
18 will be participating in.

19 System operator training: We train our
20 dispatchers all year long. Actually, they have a
21 training cycle built into their shift schedules. So
22 every several weeks, they're at a -- in training

1 specifically on the system. We have a dispatcher
2 training simulator, where it looks just like a
3 control room where we can, you know, throw at them
4 lots of what-if scenarios to test how they would
5 respond to that.

6 We drill and test for these capacity
7 type of situations that we may see in the -- you
8 know, during the peak seasons. We also have a
9 dispatcher seminar where we -- it goes over a 10-week
10 period, where we invite all of the dispatchers, all
11 of the operators from all of our member companies as
12 well, to go through -- we have a training session
13 with all of them this week. It's the last week of
14 the overall PJM dispatcher training seminar.

15 Assess the weather outlook on a daily
16 basis: We have meteorologists on staff that support
17 the control room with developing load forecasts,
18 helping out with timing of severe weather and things
19 like that. They provide input on expected
20 temperatures and humidity's, things like that which
21 largely drives our load forecast. They also support
22 the -- our folks who do solar forecasting and wind

1 forecasting as well.

2 Looking at projected loads and
3 capacity, that's an ongoing thing that we do every
4 single day. But obviously, as the loads increase
5 during the peak summer season, it's -- it takes on a
6 little bit more emphasis, and that happens day in,
7 day out.

8 And then, lastly, we coordinate with
9 our neighbors and have discussions -- have had
10 discussions with MISO and all of our neighbors around
11 what they're expecting summer conditions to look
12 like, and whether they're expecting any issues on
13 their system or things like that. So to make a long
14 story short, I think we're in good shape for this
15 coming summer.

16 I did also include a slide just --
17 this is just for reference, and it's not unlike the
18 slide that MISO has. It's kind of as we step through
19 our emergency procedures, it talks about the things
20 that you do. We talk alerts, warnings, and actions.
21 And alerts are generally issued more than 24 hours in
22 advance if we're expecting hot weather -- hot-weather

1 alerts, things like that, max-gen alerts and things.

2 Warnings would be implemented or
3 issued -- that's when we get into the actual
4 operating day. And then, obviously, actions are
5 things that would be -- you know, would be expected
6 to be implemented upon word from dispatch staff.

7 So that's all I have, and I look
8 forward to your questions.

9 MS. GUTIERREZ: Thank you.

10 Does the chairman or the commissioners
11 have any questions at this time?

12 (No response.)

13 MS. GUTIERREZ: Thank you, Paul and Evelyn.

14 And Kristin, you can begin your
15 presentation.

16 MS. MUNSCH: Thank you.

17 And two things: First, thank you for
18 including a consumer advocate. As Sue noted, I think
19 this is the first time that you've had customers in
20 this panel and we appreciate the opportunity to give
21 a customer's look at things.

22 Secondly, I'm remiss I never did get

1 to doing a PowerPoint despite the best efforts of
2 Commissioner Rosales's staff and trying to get me to
3 do one. So it's my fault, not theirs.

4 In the interest of time, I think I'll
5 summarize a little bit of what I'm going to say.
6 First and foremost, for consumers and, I guess, in
7 speaking of RTOs, consumer advocates, we're
8 approaching in many of the same conversations we have
9 with our distribution utilities. It's a question
10 about cost and it's an expectation of reliable
11 service.

12 I think that translates in an RTO the
13 same, and sort of has three roles they can play.
14 They have a role in planning for the system. They
15 have a role in responding to the system. And I think
16 they have a role in providing a platform for specific
17 types of resources that we think are valuable.

18 So with respect to planning, you'll
19 hear a lot of conversation from consumer advocates
20 that we are wanting to make sure that words like
21 "resilience" and "response" are not, in fact, code
22 for other efforts that might be underway. In other

1 words, that the ability of the system to plan and
2 incorporate events is being done with an eye towards
3 least-cost solutions, to the probability of events,
4 and to making data available to all the stakeholders,
5 both at MISO and PJM, that's relied on.

6 One thing we know that RTOs struggle
7 with, and we struggle with it as well, is the
8 confidential nature of some of this data,
9 particularly when you start talking about potential
10 for disruptions that are not weather related, but
11 might be security related. And we encourage the RTOs
12 to work with us. A lot of our consumer advocate
13 offices are used to handling confidential
14 information, and can be, I think, trusted to do so.
15 There's ways to have that discussion, I think to
16 benefit all the stakeholders.

17 One of the other concerns I think we
18 have is with paying twice, frankly, for something
19 that duplicates efforts already being done in the
20 distribution system bubble. To me, this gets to,
21 from a planning perspective, looking at how
22 frequently the RTOs update their planning

1 assumptions. We obviously don't expect them to know
2 everything real time, but for example, some of the
3 transmission planning processes, you'll hear
4 consumers often ask, Well, that was a project that
5 was put in in 2014. We're now in 2018; are the same
6 assumptions still there? Have things changed on the
7 ground with the distribution system in a way that
8 might render that project less necessary, might
9 change its scope, might change its impact?

10 With respect to response, I think the
11 RTOs make a lot of information available. I think we
12 get, as members, hot wired to both MISO and PJM. One
13 thing I think we're planning in response for is we
14 always want the RTOs to help us do so all customers
15 understand how -- what the peaks at PJM, MISO
16 translate to on their bills.

17 So we know as practitioners that
18 there's forecasting, that you're looking at your
19 capacity charges being set on these peak days. I
20 think some of our industrial customers and others
21 have modeled, and they can help them predict. Where
22 I think we're seeking some additional information is

1 to help residential customers, now, similar to the
2 conversations had about usage data, be able to
3 understand what that looks like and anticipate in
4 planning. So, yes, CUB and other consumer advocates
5 within PJM and MISO get out weather alert. How does
6 that translate to a residential customer having an
7 expectation that they should be prepared that if they
8 are on real-time pricing, will understand what it
9 means if I am not using as much, how does that
10 translate from the RTO down to their bills, I think
11 is very important.

12 Last, but probably not least, is this
13 discussion of the RTOs as a platform for services --
14 or for resources and services that can help us
15 respond. One of the things a lot of consumer
16 advocates have focused on is -- and the other
17 members -- is the maintenance of demand response is
18 an essential tool within both RTOs for responding to
19 system events.

20 I think that you will see a lot of
21 conversation about whether or not that is totally as
22 valued as we would like it to be. There's concerns

1 that demand response in some respects may be left
2 stranded, and may not be able to be incorporated into
3 the market. And that is frustrating for us in a
4 couple of counts. One, because we know that
5 investments have been made over the years by
6 customers and utilities -- distribution utilities in
7 setting up those systems. So there's an expectation
8 of we have now invested in a resource that we may not
9 be able to get as much benefit from.

10 And secondly, when it comes to weather
11 events, demand response, I think, to us is critical,
12 and hopefully, helping PJM and MISO balance where
13 they can move things on the system, and respond in a
14 way that's helpful. It's a least-cost resource, it's
15 a resource that's performed well, and a resource you
16 will continuity to hear us talking about needs to be
17 better incorporated and valued.

18 I think there's another aspect,
19 though, to that sort of platform idea. And I'm
20 realizing I'm using the word "platform," which is now
21 a cuss work, so I'll step back and say that's a dumb
22 word.

1 To the markets and setting attributes,
2 when you think about the work that's being done on
3 distributed energy resources, smart and Burger's, for
4 example, and that includes not just solar
5 installations, but batteries. PJM, in particular --
6 I'm sure MISO as well, but I jump to PJM -- their
7 markets have played a very big role in actually
8 getting some of that battery development, at least
9 here, off the ground. Some of those projects were
10 funded with market revenues.

11 And I think we want to make sure the
12 RTOs are thinking in this context of how are we going
13 to respond to more frequent events, dual events,
14 other events. That ability to sense certain types of
15 resources and certain attributes is a really
16 important part of the market that I think we want to
17 make -- I'm sure is so incorporated going forward.

18 That does, though, I guess, take me to
19 kind of a closing point, which is we see this as
20 going to be a role where the RTOs and the
21 load-serving entities or distribution operators are
22 getting cornered a lot more. Customers who have

1 experienced reliability and frequency events are
2 taking actions into their own hands, either at the
3 community level or, as was noted before, hospitals,
4 other infrastructure that we already asked and have
5 requirements on the back-up generation
6 responsiveness. I think both ComEd and Ameren have
7 microgrid projects that have already been
8 benefits-tested and were discussed.

9 The RTOs, I think, are going to be
10 confronted with -- probably there might be better
11 word -- a lot of data that's moving on their system
12 very, very quickly. And from a consumer perspective,
13 we want to make sure that the actions the RTO is
14 taking incorporates that to the best of the RTO's
15 ability to make sure that we are not duplicating or
16 unnecessarily raising costs without a good point.
17 But also realizing that the RTOs don't have
18 transparency into everything that is going on
19 necessarily, and it is going to be a challenge for
20 all of us in terms of how we balance that
21 information.

22 I do want to be honest that I think

1 it's very -- PJM and MISO both have done a lot of
2 work on opening up, to stakeholders, processes to
3 discuss these issues.

4 On sort of transmission and
5 operational issues, particularly for summer
6 preparedness and resiliency and reliability,
7 sometimes I think we get very distracted by the
8 market side of the equation, and focus more on what
9 the markets are doing. And it's always good to hear
10 the RTOs remember they have an operational side as
11 well, where they can instruct and test and prepare
12 resources.

13 I think that that is a crucial part,
14 and sometimes one that gets overlooked. I flash to
15 the polar vortex as an example where it was -- I
16 would say for a lot of consumer advocates, this was
17 an operational issue. Whether it was having
18 resources that weren't tested to perform, having
19 different expectations of performance, we support
20 those efforts. We just want to make sure those
21 efforts are not going to counter the wave of DER
22 that's coming from states, and not going to force out

1 or undervalue those resources that have already,
2 plus, the customers like, respond to, that we know
3 work, and we know will be essential going forward.

4 MS. GUTIERREZ: Thank you, Kristin.

5 Do the chairman and commissioners have
6 any questions?

7 (No response.)

8 MS. GUTIERREZ: The panelists, is it there
9 anything that was said that you would like to respond
10 amongst each other?

11 MR. McGLYNN: I guess I would just say that at
12 PJM, I appreciate your comments. I think many of
13 them are spot on. I know reliability at PJM is
14 job-one, and our markets and our planning processes
15 are basically there to support the reliable operation
16 of the system, and as -- as there are -- as new
17 technologies develop, new storage, and new
18 distributed resources, and things like that, we'll
19 continue to look for opportunities to work with our
20 state culvers to see how we can incorporate that into
21 the overall operation of the system.

22 MR. BENBOW: MISO would echo the same comments.

1 I mean, reliability is number one as part of our
2 mission, and also to be efficient, and we use
3 partners to be efficient, ensure reliability and
4 integrity of the system.

5 So thank you.

6 MS. MUNSCH: I feel like I already got to have
7 the last word, so I'm good.

8 (Laughter.)

9 MS. GUTIERREZ: Okay. I have a couple of
10 questions. Both MISO and PJM mentioned that there
11 are emergency drills that you carry out within your
12 RTO, but also with your neighboring RTO and ISOs.

13 How often do those drills take place,
14 and could you give us a little bit more detail on
15 what goes on during those drills?

16 MR. BENBOW: Yes. So right now, we do drills
17 annually with our operators. So right now we have a
18 six-week program that looks at drills with all of our
19 members and our neighbors for summer readiness, so
20 that's one drill that we execute. And we also do
21 hurricane readiness drills, as well, with our
22 operators, folks from -- mostly in the south region,

1 but everybody gets to participate in that.

2 We also do what we call business
3 continuity drills. So if we have to evacuate a
4 control center, how do we do that? So we test that
5 twice a year. During our six-week training program,
6 we'll do an exercise where we actually do an
7 evacuation of every control center, so we operate out
8 of four control centers.

9 We test our business continuity
10 program, and we also do an annual drill that is more
11 realistic, where we not only transfer operations, but
12 we also transfer all of our infrastructure. So in
13 order for the operators to do what they need to do,
14 they have a lot of critical applications that support
15 that. So we actually test our business continuity
16 around our infrastructure between our two data
17 centers that we operate out of.

18 There are monthly drills around firm
19 loadship, load-modifying resources, and
20 implementation for your capacity shortage
21 commissions. We also do something for what we call
22 the drill communication protocols, how we send

1 dispatch signals out. So if we lost all of our ICC
2 communicative ability, which is a protocol where we
3 exchange information, we go to a backup. We test
4 that every month, and make sure that our members can
5 transfer over to the backup and make sure that we can
6 still dispatch and operate the system.

7 So operators, again, JPM [sic] touched
8 upon a simulator; we have a simulator, and that's
9 part of our testing for our operators. We actually
10 use that. Also to be -- we make sure that they're
11 certified, so we'll run them through an exper- -- or
12 a drill, and they have to pass that simulation test
13 in order to operate on the desk.

14 So we use our dispatch training
15 center. That's probably going to be more and more
16 important as we move forward as the markets that we
17 operate and all products and services that we provide
18 get more and more complex. So if you really want to
19 understand how all the different products work
20 together, you have to train the operators on it.

21 We're also going to incorporate that
22 into actually the testing phase. Typically we -- if

1 you put a new product into production, it gets put
2 right into production. We want to know before --
3 look at through the simulator with the operators, and
4 let them test it, and then put it into production so
5 that they're not seeing it for the first time when
6 out there on the operating floor. And I got the
7 PowerPoint training on that, but that doesn't really
8 work when you actually see it in real time.

9 So there's a lot of products and
10 services coming down the line. We can talk about the
11 DERs. We're doing a lot of workshops around that.
12 What is the impact to our business model to -- that
13 we talked about, but it's something we're not really
14 going to focus on. We actually -- I focused the
15 whole group just to -- kind of disrupters for our
16 business model and how we incorporate that into our
17 operations and into our training programs.

18 MR. McGLYNN: I would say that I have a similar
19 response for PJM and how we also have a full set of
20 different drills that we run through, from the
21 emergency communication drills on a weekly basis,
22 using -- utilizing satellite phones and things like

1 that to move schedules and do it on a monthly basis.

2 There are the -- prior to the -- each
3 peak season we do these capacity-related emergency
4 procedures as well. And also, system restoration
5 drills is another thing that we do twice a year,
6 where we do varying scopes, whether it's -- we focus
7 on a localized area, and we'll do overall RTO-wide
8 restoration drills. And those are just the drills
9 that I say that we would do with -- you know, with
10 our members actively participating.

11 I mentioned the dispatching staff has
12 built in to their shift schedule is a -- you know,
13 a -- one full week of training is part of each
14 rotation through their shift schedule, where they're,
15 you know, trained on different new procedures, and as
16 well, they spent certain amount of time in our
17 simulator, running through different kinds of drills
18 and scenarios and what-if type of things.

19 MS. GUTIERREZ: Thank you.

20 Kristin, you mentioned that you're
21 working on doing some consumer education for the
22 charges, the RTO/ISO charges that appear on the bill.

1 What does that education look like?

2 MS. MUNSCH: Maybe the better to say it is we
3 want to do consumer education on it.

4 I think it's, for one thing,
5 Illinois -- I've come to realize in working with
6 CAPS, Illinois is somewhat unique in that probably
7 because it has been such a big deal, and as Sue said,
8 it's been a -- we've had a sort of deregulated
9 experience that has seen attention on a capacity
10 side, supply side; it's become well known that's the
11 more volatile element here of rates. That we have
12 had some attention put to it.

13 When we do -- I guess I'd say when we
14 do our bill clinics and go out to our outreach
15 events, I think we get a lot of questions on what am
16 I paying, why is it coming from where, what's the
17 price. But there is a lot of question around the
18 capacity. It's a line item on the bill that people
19 don't understand. It's a word that doesn't translate
20 to them, I think, in terms of what that means.
21 Because I think their very sense of capacity is
22 now -- I mean, like, in the immediate in the future,

1 not something a year off.

2 And when it comes to how their
3 personal charges are calculated, it is a big driver
4 in the bill. Capacity prices are becoming more and
5 more, at least PJM -- I shouldn't -- thinking --
6 putting the PJM hat on now -- are becoming a key
7 driver of what that total supply-side of that bill
8 costs. And when, I think, customers -- when you have
9 conversations and people start to realize that it's
10 based off of, you know, five days that's translated
11 down from PJM, is a sense of can you tell me when
12 those five days would be. But, you know, what is --
13 what does that mean?

14 Industrial customers, I noticed a few
15 who have had the experience of modeling, you know,
16 more sophisticated and actually kind of predict,
17 Okay, we think these will be the peak days because
18 it's a retrospective look. It's not something we're
19 going to have in advance.

20 But it is something that I think we
21 struggle with as being one of the -- you know, that
22 peak demand is a big driver of costs; it's a big

1 driver of, I would think -- it's a big driver of a
2 lot of things. And if we can help manage that, and
3 help customers understand that, I think that would be
4 good.

5 I do struggle with that, on how
6 exactly to do that. Partly because the words we use
7 here, I think don't resonate to what customers -- you
8 know, residential customers actually think about and
9 need to do. But I think we've talked increasingly,
10 even at CAPS, that this is -- translating this RTO
11 word down to residential customers is going to be
12 increasingly important. I guess maybe the better
13 thing is capacity. One of the first things that came
14 to my mind is that's one of the first examples we're
15 going to start with because customers don't,
16 necessarily, see a distinction. We see the
17 distinction, but actions they take there can really
18 affect their bills. And while we are hopeful that
19 the distributes -- and the whole other side is what
20 the distribution company ultimately is passed down.

21 But first and foremost is, systemwide,
22 helping people understand we can bring that down.

1 For ComEd and Ameren that has more savings to them.

2 If anyone has suggestions of how to do
3 that, we're happy to take it. Take it.

4 MS. GUTIERREZ: Thank you. I believe that's
5 all the time we have for today. So before I hand it
6 over to Commissioner Rosales, if you would please
7 help me in thanking our panelists.

8 (Applause.)

9 COMMISSIONER ROSALES: Thank you, Tanya, and
10 thank you Tomás for an excellent job today.

11 You know, I started here in 2015, and
12 in 2015, I heard from all of you, you had enough load
13 and enough power for residence of Illinois. 2016,
14 you said you had enough load you had enough power.
15 2017, you had enough load, enough power. So, I kind
16 of caught on that you had enough load and enough
17 power in going into 2018.

18 And you see how we're making some
19 changes. I appreciate Kristin and Sue being here.
20 We took a more holistic approach this year, and
21 having, you know, more stakeholders involved. And
22 moving the needle in terms of responsibilities that

1 we are holding you accountable for.

2 I know you have enough power; I know
3 you have enough load. But as Kristin mentioned, and
4 how we -- all that my colleagues deal with, and the
5 reliability aspect, the resiliency aspect. That's
6 where we're looking at very closely.

7 The amount of time to resolve an
8 outage, and how quickly that's done and how
9 efficiently that's done, that's what we're holding
10 you accountable to. So I want you to all know that.
11 And that's -- as we move forward, that's what we're
12 looking at.

13 That said, you did really well in
14 2017. And our metric, from our Commission, you did
15 very well. So when you do well, you know, we want to
16 thank you. But we also want to let you know, again,
17 we hold you accountable. And we thank you for being
18 here.

19 On behalf of my colleagues, and I
20 really want to thank them because they have made
21 their time to be here; I want to thank them. And at
22 this point, I'd like to tell you that the meeting is

1 adjourned. However, my chairman does have an
2 announcement to make, so would you give him 30
3 seconds.

4 Thank you.

5 CHAIRMAN SHEAHAN: This is Danisha Hall's last
6 day, and so at our public meeting, we just wanted to
7 thank her. She's really exemplified hard work and
8 passion and dedication during her time at the ICC.
9 Throughout her five years here at the Commission,
10 Danisha's worn many hats and took on a variety of
11 different roles.

12 She began her time with us as a legal
13 and policy advisor. Then became our first director
14 of the office of diversity and community affairs.
15 And ultimately, became our bureau chief for external
16 affairs.

17 Danisha's professionalism embodies the
18 ICC's philosophy, and her success and hard work are
19 prime examples of how talented individuals can
20 further their careers and grow and flourish in our
21 organization.

22 Danisha, on behalf of the ICC and the

1 commissioners of the ICC, it was a pleasure to work
2 with you. Thank you for your time and your
3 leadership and dedication. We wish you the best.
4 And I'm sure that it's not farewell, but until we see
5 each other again. Thank you.

6 (Applause.)

7 COMMISSIONER ROSALES: And with that, we are
8 adjourned.

9 Thank you.

10 (Whereupon the above matter was
11 adjourned.)

12

13

14

15

16

17

18

19

20

21

22