BEFORE THE
ILLINOIS COMMERCE COMMISSION

PUBLIC UTILITY SPECIAL OPEN MEETING

Chicago, Illinois
May 29, 2012
Met, pursuant to notice, at 10:20 a.m.

BEFORE:
MR. DOUGLAS P. SCOTT, Chairman
MS. LULA M. FORD, Commissioner
MS. ERIN M. O'CONNELL-DIAZ, Commissioner
MS. ANN McCabe, Commissioner
MR. JOHN T. COLGAN, Commissioner

SULLIVAN REPORTING COMPANY, by
Auhdikiam Carney, CSR
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CHAIRMAN SCOTT: Pursuant to the provisions of the Open Meetings Act, I now convene a Special Open Meeting of the Illinois Commerce Commission. With me in Chicago are Commissioners Ford, O'Connell-Diaz and McCabe. With us in Springfield by videoconference is Commissioner Colgan. I'm Chairman Scott.

We have a quorum.

Before moving into the agenda, according to Section 1700.10 of Title II of the Administrative Code, this is the time we allow members of the public to address the Commission. Members of the public wishing to address the Commission must notify the Chief Clerk's Office at least 24 hours prior to our Commission meeting. According to the Chief Clerk's Office, we have no requests to speak at today's Special Open Meeting.

Moving on to our agenda for today, Item 1 is the approval of minutes from our May 2nd Bench Session. I understand amendments have been forwarded.

Is there a motion to amend the minutes?
COMMISSIONER O'CONNELL-DIAZ: So moved.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER FORD: Second.

CHAIRMAN SCOTT: It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 and the amendments to the May 2nd minutes are adopted.

Is there a motion to adopt the minutes as amended?

COMMISSIONER O'CONNELL-DIAZ: So moved.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER McCabe: Second.

CHAIRMAN SCOTT: It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 and the May 2nd minutes as amended are adopted. We will use this 5-0
vote for the remainder of today's Special Open Meeting unless otherwise noted.

Item 2 concerns initiating a tariff investigation to address some of the issues raised in Docket No. 11-0144, specifically regarding capacity charges for residential real-time pricing net metering customers with Commonwealth Edison.

Is there any discussion regarding the proposed Initiating Order?

(No response.)

Is there any objections to entering the Initiating Order?

(No response.)

Hearing none, the Initiating Order is entered.

Item 3 is Docket No. 11-0546. This is the proceeding for the Commission's evaluation of ComEd's Residential Real-Time Pricing Program. ALJ Albers recommends entry of an Order accepting the Joint Stipulation between the parties in this matter and directing the continuation of the Real-Time Pricing Program.
Is there any discussion?

(No response.)

Are there any objections to entering this Order?

(No response.)

Hearing none, the Order is entered.

Item 4 is Docket No. 11-0721. This is ComEd's formula rate docket pursuant to Section 16-108.5 of the Public Utilities Act. AlJs Sainsot and Kimbrel recommend entry of an Order setting the initial rates under this new approach. I know we've got quite a few revisions up for consideration today; but before I do that, can I ask the judges for the public comments.

JUDGE SAINSOT: Since the last Commission meeting, we've had an additional 7 comments, which brings the total up to 2203.

CHAIRMAN SCOTT: Okay. I know there are revisions to this and we call first on Commissioner McCabe.

COMMISSIONER O'CONNELL-DIAZ: Mr. Chairman, I would like to ask a question of the ALJs.
CHAIRMAN SCOTT: Certainly.

COMMISSIONER O'CONNELL-DIAZ: Judge Sainsot, can you just run through the recommendations that you have tendered to us in your Order with regard to the pension aspect.

JUDGE SAINSOT: Well, very briefly Section 16-108.5 allows ComEd to receive a return on what it calls the pension asset. ComEd's pension plan currently is underfunded even with the extra contributions it's made at approximately 68 percent. Staff's argument in this case was that because ComEd's pension plan was underfunded at less than a hundred percent, it wasn't a pension asset within the meaning of the statute. And the Order before you says that --

COMMISSIONER O'CONNELL-DIAZ: Does the statute define pension asset?

JUDGE SAINSOT: It does not.

COMMISSIONER O'CONNELL-DIAZ: And has the Commission entered Orders relative to pension assets previously that gave guidance to your recommendation?

JUDGE SAINSOT: Well, the Commission didn't
always call it a pension asset; but, in effect, the
Commission allowed recovery of extra contributions to
the pension contributions in general.

COMMISSIONER O'CONNELL-DIAZ: And these
contributions would be the contributions over the
legally required amount. So these are discretionary
upticks that they put in the pension fund?

Judge Sainsot: That is correct. What the Order
does is construe the term "pension asset" based on
the plain meaning of the two words. An asset
generally is an item of value and that item of value
can have value even if it has a negative worth.

The example that was used was a house
that's under mortgage-wise. It still has value. You
still have to pay property taxes on it. You still
have to insure it. You still have to maintain it.
It's still a place to live. The bricks and mortar
have value all of themselves, so that was the reason
in the Order.

COMMISSIONER FORD: That was a good analogy.

COMMISSIONER O'CONNELL-DIAZ: Did you have
occasion to interpret the other Orders that the
Commission looked at -- what -- I believe in the
05-0567 case was referred to as a pension asset, but
then we had two other cases after that that did not
use exactly that terminology.

Did you have occasion to look at those Orders?

JUDGE SAINSOT: Yes. I looked at all three.
And I think -- and the Order says that substantively
no matter what you call it, it's an extra
contribution to the pension.

COMMISSIONER O'CONNELL-DIAZ: And with regard
to the Staff position that unless the pension was 100
percent funded, there should be no recovery.

Is there any rule or law that you know
of that would tell this Commission that that's what
we should do with regard to this issue?

JUDGE SAINSOT: Well, Staff cited FAS 87. FAS
is a standard put out by the Financial Accounting
Service Board. I believe you have a footnote in the
Order. And the Order notes this, that that's what
FAS 87 says. However, there is really no evidence
that that accounting standard applies here.
There's -- Staff did not present evidence that it did and, you know, different accounting standards apply to different situations.

COMMISSIONER O'CONNELL-DIAZ: And this particular accounting standard, the Company put testimony on -- I think it's Mr. Graff (phonetic) that suggested that this type of treatment suggested by Staff is not anything that would be seen in the accounting world. I'm not an accountant so I would have to look at specialists to guide my understanding of these issues. Is that a fair assessment of the testimony relative to this type of standard that Staff would have us adopt in this proceeding?

JUDGE SAINSOT: That's correct.

COMMISSIONER O'CONNELL-DIAZ: And in your conclusion, you did not agree with the Staff's position; but, instead, were in sync with the other Orders that we had on this issue?

JUDGE SAINSOT: That's correct.

COMMISSIONER O'CONNELL-DIAZ: Thank you.

CHAIRMAN SCOTT: Anything else on that, Commissioner?
COMMISSIONER O'CONNELL-DIAZ: No.

CHAIRMAN SCOTT: Thank you.

Commissioner McCabe, you have some revisions.

ACTING COMMISSIONER McCabe: The first one is on the business service company's annual incentive plan cost allocation. The Proposed Order drafts a separate document to investigate this issue. The edits we've made request that an investigation be done in the annual filing. We believe this will be easier than opening a different proceeding.

CHAIRMAN SCOTT: Is there discussion about this?

COMMISSIONER O'CONNELL-DIAZ: I guess this would really be a Staff question and I just thought of it, otherwise I would have had a conversation. I do believe that when we were coming out after the merger and an issue came up with regard to the business services center and the services that they actually provided and who was actually kind of behind the scenes doing the work and how does that -- did those allocations go forward? And I would just -- if
we're going to be doing something, I think Staff
might want to look back and see if we've looked at
that and if there's anything of importance that would
help guide our studying of this issue in the
proceeding that is suggested by these edits.

CHAIRMAN SCOTT: Okay. Further discussion?
Have you made a motion to adopt the
revision?

COMMISSIONER McCabe: So moved.

CHAIRMAN SCOTT: I will second that.
Any further discussion?

COMMISSIONER FORD: I'll abstain because I
didn't have time to get a look at it.

CHAIRMAN SCOTT: Okay.
All in favor say "aye."
(Chorus of ayes.)
Any opposed?
(No response.)
We have one abstention so the vote on
that will carry 4-0-1.

Commissioner McCabe.

COMMISSIONER McCabe: The pension asset
funding, I propose the Commission adopt the Staff position. The Staff's approach views the overall status of the pension and all its components as it relates to the utility on a stand alone basis. I will note that pension asset has never been included in rate base as an expense item. The proposed Order will allow a return on normal and special pension contributions. The Commission has not allowed a return on normal contributions for any utility. As noted we have allowed a return on special contributions in some prior ComEd cases.

CHAIRMAN SCOTT: Is that in the form of a motion?

COMMISSIONER McCABE: Yes.

CHAIRMAN SCOTT: I will second that.

Is there a discussion?

COMMISSIONER FORD: Yes. Mr. Chairman and Commissioner McCabe, after reviewing the record, I certainly would have to agree with the ALJ's conclusion regarding the pension asset funding issue in this matter. I do not believe the statute in question is ambiguous, nor do we need to establish a
definition for pension asset outside its plain ordinary meaning.

Furthermore, I believe that it is incorrect to assume a pension asset can exist only when a plan is over funded. As the Proposed Order stated, an item of value can have a negative balance. While not specifically stated in previous ComEd rate cases, the Commission has consistently allowed recovery of pension contributions and I see nothing in the record evidence that requires us to depart from our past practices.

This reminds me of when I first came to this Commission when we had an issue and I certainly was in the minority; but when it went to the Appellate Court, I was vindicate. So I see this as one of those issues.

Thank you.

CHAIRMAN SCOTT: Further discussion?

Commissioner O'Connell-Diaz.

COMMISSIONER O'CONNELL-DIAZ: I didn't know if Commissioner Colgan had anything.

COMMISSIONER COLGAN: No.
COMMISSIONER O'CONNELL-DIAZ: I agree with what Commission Ford just stated. This issue, we have looked at it, and looked at it, and looked at it. It brings to mind -- what's the Shakespearean saying -- a rose by any other name doesn't smell as sweet.

Being a State of Illinois employee, pensions are very near and dear to my heart. The issue of a pension being funded or not funded. This is certainly appropriate public policy that we want to have these pensions funded. In the 05-0567 case -- I might have the number wrong -- that situation provided a savings that allowed the company to infuse money into the pension plan. As I look at the pension plan funding, 68 percent in a year that we approved what nobody wants to call a pension asset, but I don't know what else to call it. It was a pension asset.

In the 05-0597 case it was called a pension asset. 2009 the plan was funded at 73 percent, 76 percent for 2010. Looking at the funding of another utility in our state does not guide me in understanding that it is very important
that these pension plans be funded and that there be appropriate recognition. The Companies can put their money -- they can keep going with the minimum funding. We want to see them fund to the best possible way for the people that are on the poles, the people that are in the offices to ensure that they do not have to sit and suffer like some of the many State employees that are worried about their pension plan and what's going on with that. The Commission has looked at this issue over and over again. And so it is quite astounding that we would, without remarkable reasons, change what we have decided. And the beneficial part of this certainly goes to the folks that work there that do the services that our companies and our ratepayers depend on.

So I'm sure we'll have rehearing on this because this is a hotly contested issue. I did find that due to the extent of the record, there were many questions that came to mind that I know supports Commissioner McCabe's edits; but, again, I think we really need to look at it in a joint way and go
forward with the backdrop of what this Commission has
done. So I would not be supportive of these edits
and I look forward to -- I know I don't have the
votes, but I look forward to rehearing in this.

CHAIRMAN SCOTT: Further discussion?

Commissioner Colgan.

COMMISSIONER COLGAN: Well, I think this is
probably the issue that got the most attention as we
were coming down to a final conclusion here on this
rate case proposal. There are arguments in both
directions. It would have been a lot more helpful if
it had been more clearly defined in the statute
exactly what a pension asset was. I looked at this
really close for the last several days over and over
and I know everybody else has as well. I'm going to
come down in support of Commissioner McCabe's
proposal on this issue.

In my best judgment, I think -- I see
this as an expense rather than an asset. And I
appreciate all the hard work that I know Commissioner
McCabe has done on this and I know everybody else has
done a lot of hard work on this. I think it's one of
those cases where reasonable people have different opinions; but with that, I'm going to support Commissioner McCabe's amendment to the rate case.

CHAIRMAN SCOTT: Further discussion?

(No response.)

All in favor of the revision vote "aye."

COMMISSIONER McCabe: Aye.

COMMISSIONER COLGAN: Aye.

CHAIRMAN SCOTT: Aye.

Any opposed?

COMMISSIONER O'CONNELL-DIAZ: No.

COMMISSIONER FORD: No.

CHAIRMAN SCOTT: The vote is 3-2 and the revision is adopted.

Commissioner McCabe.

COMMISSIONER McCabe: On rate design, roughly pages 145 to 147 in the pending Proposed Order, these edits change the conclusion so that ComEd recovers 50 percent of fixed costs through their fixed charge per Docket 10-0467 rather than 50 percent -- rather than applying that to the total
cost. The conclusion in the Order for 10-0467 is that ComEd was to separate according to the 50 percent fixed variable rate design.

CHAIRMAN SCOTT: Discussion?

COMMISSIONER O'CONNELL-DIAZ: I support these edits. What we're telling the Company to do is what we told them to do in the other case and they haven't done so. Certainly crack them in the line on that with this.

Thank you.

CHAIRMAN SCOTT: Further discussion?

(No response.)

Commissioner McCabe, are you moving for adoption of those revisions?

COMMISSIONER McCabe: So moved.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER O'CONNELL-DIAZ: Second.

CHAIRMAN SCOTT: All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 and the revision is
COMMISSIONER McCabe:

My last edit on the Order is on Page 178. The Proposed Order allows 10 days before the rates go into effect. The edit gives ComEd 5 days instead of 3 to make a compliance filing and allow all parties more time for review.

CHAIRMAN SCOTT: Is there any discussion on this proposed revision?

(No response.)

Are you making that in the form of a motion, Commissioner McCabe?

COMMISSIONER McCabe: Yes.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER FORD: Second.

CHAIRMAN SCOTT: Any further discussion?

(No response.)

All in favor of supporting the revision vote "aye."

(Chorus of ayes.)

Any opposed?

(No response.)
The "ayes" have it, 5-0, and the
revision is adopted.

Commission O'Connell-Diaz will give
her revision.

COMMISSIONER O'CONNELL-DIAZ: Yes. This is a
joint revision with Commissioner McCabe's office and
my office with regard to the appropriate interest
rate. We heard argument on this the other day and we
had two really kind of varying positions. And where
the Commission has come down on is the thought that
we know it's inappropriate for it to be a zero
percent interest rate, which would be the customer
deposit rate; but what we've done is use the backdrop
of some other interest rate calculations in some
other cases that we've had before us and come up with
a hybrid calculation for the interest rate. It would
use a methodology that uses the debt of long-term and
short-term debt because this is somewhat of a hybrid
situation given the length of time of the
reconciliation period. The result would be an
interest rate of 3.42 percent. We find that that is
reasonable and appropriate to be utilized for the
reconciliation period recognizing that this is
different than a Rider. It is different than
probably any other case we've had before us. So this
recognizes the time value of money during that period
of time.

And so I would thank Commissioner
McCabe and her office for working on this and we
would tender it to you for discussion.

CHAIRMAN SCOTT: Is that in the form of a
motion to adopt?

COMMISSIONER O'CONNELL-DIAZ: Yes.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER McCabe: Second.

CHAIRMAN SCOTT: Now, is there discussion on
this particular revision?

Commissioner Colgan.

COMMISSIONER COLGAN: Yes. This, again, is a
really interesting issue. I've been all around the
block on this one trying to figure out the best
possible outcome here. And if I have a concern about
the proposal that is before us at the moment is that
nobody argued that in the record. The Attorney
General did argue something about short-term debt, which was -- I forget exactly -- 072 -- .72, I think or something like that -- or .072. I don't remember exactly. But if you -- but then they back off of that position -- but if you look at the issue, the short-term debt I'm not sure really covers this area because it was for a longer period than one year.

So I think that we've come to a -- and I thank everybody for the work that's been done on this because it's been a tremendous amount of work and attention placed on these issues. And this is a very important issue because it has to do with the reconciliation amount that wasn't collected in the projected rate for these previous years. So I think that this is a reasonable compromise and I'm going to support the conclusion of the proposal.

CHAIRMAN SCOTT: Further discussion on the matter?

(No response.)

COMMISSIONER O'CONNELL-DIAZ: Thank you, Commissioner Colgan.

CHAIRMAN SCOTT: All in favor of the proposed
revision vote "aye."

    COMMISSIONER O'CONNELL-DIAZ: Aye.

    COMMISSIONER FORD: Aye.

    COMMISSIONER McCabe: Aye.

    COMMISSIONER COLGAN: Aye.

    CHAIRMAN SCOTT: Any opposed?

        No.

        The vote is 4-1 and the revision is

        adopted.

        Commissioner O'Connell-Diaz, you have

        further revisions?

    COMMISSIONER O'CONNELL-DIAZ: Yes, with regard

        to the -- I know I don't have the votes, but average

        versus year end. I think the statute is exceedingly

        clear. I don't think it leaves anything to doubt and

        I would recommend that the Commission follow the law

        and use the final historical data that is encompassed

        in the language of the statute. I believe for us to

        do otherwise is a derogation of the new law that is

        put before us. I don't believe there's any ambiguity

        there. It states what it states and it is

        inappropriate for us to try to dress it up in any
other way.

So I would look to using the year-end data or the final historical data as the language is in the statute as opposed to the averaging. The term "averaging" is not used anywhere in this statute. Additionally there is no directive to the Commission to do a computation to develop an average amount. And so I am just really kind of surprised that one could make a straight-faced argument that it means something other than what's in the statute. So I would offer those for consideration and make a motion.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER FORD: Second.

CHAIRMAN SCOTT: Is there any discussion on this particular revision?

All in favor of that revision vote "aye."

COMMISSIONER FORD: Aye.

COMMISSIONER O'CONNELL-DIAZ: Aye.

CHAIRMAN SCOTT: Any opposed?

COMMISSIONER McCABE: No.
COMMISSIONER COLGAN: No.

CHAIRMAN SCOTT: No.

The vote is 2-3 and that particular revision is not adopted.

Any other revisions?

COMMISSIONER O'CONNELL-DIAZ: No.

CHAIRMAN SCOTT: I have three revisions that have been circulated to the offices. I have one to the advertising expense section of the Order. The purpose of the revision is to clarify Section 8-103 of the Act regarding energy efficiency programs and saving goals and 9-225(3)(a) of the Act regarding recovering energy efficiency and conservation warranted advertising operation expense should be reconciled, hopefully to clarify which cost should be accounted for under which section of the Act.

My revisions maintain the conclusion of not disallowing ComEd's advertising expenses as an issue for energy efficiency and conservation as they meet the criteria of Section 9-225 sub 3, sub A of the Act and are not goodwill advertising and I would request all of your support.
I would make that as a motion to approve that revision.

Is there a second?

COMMISSIONER McCABE: Second.

CHAIRMAN SCOTT: Is there any discussion on that particular revision?

(No response.)

All in favor vote "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The "ayes" have it and the revision is adopted.

I also have a revision to the interest rate section of the Order. These are fairly straightforward revisions which simply clarify the statutory 2 and a half percent cap on rate increases which is following the statute. It also applies to the reconciliation on such as the amount to be reconciled is included under that particular cap which is what I believe was intended in the legislation.
These revisions do not otherwise change the conclusion to the section as it's recently been amended here. And I would request all of your support that we did remove the one sentence that Commissioner O'Connell-Diaz had asked for.

COMMISSIONER O'CONNELL-DIAZ: Mr. Chairman, I think we kind of talked back in the hallway with regard to putting this revision in a separate category so it reads more clearly because I think that if it's attached to the interest rate provision that we just voted on -- at least for me it was confusing. So I think we've come up with a separate title so it's set forth in its entirety and understandable. So with that I would second that.

CHAIRMAN SCOTT: Further discussion?

(No response.)

I actually didn't formally do it, so I'll make a motion to adopt this revision. Is there a second?

COMMISSIONER O'CONNELL-DIAZ: Second.

CHAIRMAN SCOTT: Any other discussion with the caveat as stated by Commissioner O'Connell-Diaz?
All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The "ayes" have it and the revision is adopted.

And one final revision concerning the charitable contribution section in the Order. First my revisions add more detail regarding the basis for disallowing the Company's contribution to the University of Wisconsin not being from our state as an automatic disqualification; but because in the actual testimony it states that it's for a training program for Exelon to train people for Exelon, not for ComEd. So it does not directly benefit any ComEd ratepayers.

Second, my revisions also serve to clarify exactly what type of information and what level of detail the Commission is seeking from utilities that look to recover charitable contributions to rates under Section 9-227 of the
Act, a subject we've visited frequently.

And lastly my revisions call for rulemaking to provide even further clarity on how the parties on Section 9-227 should operate.

And I would make that a motion to adopt that revision and will request your support.

COMMISSIONER COLGAN: I will second that.

CHAIRMAN SCOTT: Is there further discussion on this revision?

COMMISSIONER COLGAN: Well, I just wanted to say that I think this is a really good idea because we've had this issue come up on numerous occasions over the last couple years. And I think we really need something that more clearly defines what the appropriate standards are for a charitable contribution. And in the interim period between now and getting a rulemaking, which could take a while, I think we need to continue to look at this issue and make decisions on a case-by-case basis.

But I support your amendment here, Chairman.

CHAIRMAN SCOTT: Commissioner Ford.
COMMISSIONER FORD: Certainly, Chairman.

I've always had issues with charitable contributions because working in several issues -- working in organizations that need these charitable contributions, I don't want us to micromanage the Company who is allocating this money to those charities. So that is my reason for having to vote no on that rulemaking because I'm also listening to -- not saying that I'm a tea party person, but I think sometimes we overregulate. And some issues do not, in my opinion, need to be regulated.

Everybody that sits on the chair of a board and asks for money should not have to be pre-scripted. I think that the organization that is giving the money should look at each case, as we say, case by case.

Thank you.

CHAIRMAN SCOTT: Any further discussion?

Commissioner O'Connell-Diaz.

COMMISSIONER O'CONNELL-DIAZ: I'm compelled to vote "no." I think everybody knows my feelings about the charitable contributions are guidances under the
statute. The statute is very clear where it suggests -- it doesn't suggest, it says that this Commission shall not enter a rule that would stand in the way of what the public welfare donations that are recoverable as are prescribed in the statute. So that is, to me, a very bright line as to where our authority is and where our guidelines should be.

Additionally, having looked at the exhibit that was tendered, all you have to do is look down the list of the entities on there. I agree with Commissioner Ford, they're all 501(c)(3) corporations in our state and I don't know what other information -- I'm sure that we could come up with a list of information that we would have to have them fill out; but I don't think that that's what the statute prescribes for us to do.

Additionally with regard to your revision on the University of Wisconsin, I would note that the State of Illinois has the most nuclear power plants, I think, in the world. And so if we are going to bring people to those plants and bring those type of professionals into our state to work, to
live, to pay taxes, and to keep human kind in those
plants to keep the plants running that employ many
throughout our state, I think it's important that we
are out in our educational areas moving that ball
forward so that we attract that type of
professionalism into our state.

And so I think that I -- there is
definitely benefit, not just to ComEd ratepayers; but
to the State as a whole in bringing that type of
knowledge base to our state. Once those students
graduate from those programs, they can go few places
to be in power plants and we'd like them to come to
our state and pay taxes and be apart of the backdrop
of our state.

So I cannot support that edit nor can
I support that rulemaking. So I vote "no."

CHAIRMAN SCOTT: Further discussion?

Commissioner McCabe.

COMMISSIONER McCabe: I would also support the
Company making charitable contributions. I would
just note as did (unintelligible) in this proceeding
that Illinois is unusual in allowing recovery of
CHAIRMAN SCOTT: Just a couple of quick points. Number one, I share your desire to have folks that are working in nuclear power plants here be well educated. The question here is whether that's a proper charitable expense that should come under ComEd ratepayers or through Exelon. And in here it's listed -- it's actually in the record that it's for the support of Exelon. That's the distinction that I would make in that particular case as opposed to the rationale that was given actually in the Order.

The other part of it is -- and I've been really clear on this before -- that Act supports charitable contributions. I support charitable contributions. I like that. There's a minimum of information that's required that refers to the purpose as well as the organization that the charitable contribution is given to. All I want them to do is give me what the statute says, which is the purpose. Now that hasn't been able to be really clear, I guess. It says for educational purposes. It doesn't just say to an educational organization or
a scientific or religious organization. It says for those purposes. We never get information with such purposes.

Here in this particular case if you go back and examine all the charitable contributions, when pushed back we got more information about some of the organizations who were there. There was an additional filing that showed some things, but really what they were, were more information about what the organization was. So there are 501(c)(3)s that can use money for other than scientific, educational, or religious purposes. Is it to pay staff? Is it to do a particular project? Is it for them to be able to support something else outside? We don't know.

So just having a list of who the Company or the organizations are, to me, doesn't even come close to meeting what's in 227.

COMMISSIONER O'CONNELL-DIAZ: But don't you think that then it meets a statutory change? Because it's very clear that this Commission is not authorized to make any rules that would cause us to look at the provisions there that talk about that.
And when you're talking about purposes, is it --

CHAIRMAN SCOTT: That's what the statute says.

COMMISSIONER O'CONNELL-DIAZ: Right. But is it -- it can only be energy education?

CHAIRMAN SCOTT: It says scientific, religious, or educational purposes. That's what it says. And we get a list of what organizations are given to and we get no information about what the purposes are. As long as the statute has that small of a threshold, that small of a bar to walk over, it seems the least we can do on behalf of the ratepayers is to make sure that that actually happens here, especially given the fact that statutorily we're one of the only states that makes an allowance like this.

COMMISSIONER O'CONNELL-DIAZ: That's the legislature's choice.

CHAIRMAN SCOTT: And all I'm saying is the least we can do is make sure that they meet the minimum amount that's listed in the statute.

Further discussion?

(No response.)

All in favor of the revision vote
"aye."

COMMISSIONER COLGAN: Aye.

COMMISSIONER McCabe: Aye.

CHAIRMAN SCOTT: Aye.

Any opposed?

COMMISSIONER FORD: No.

COMMISSIONER O'CONNELL-DIAZ: No.

CHAIRMAN SCOTT: The vote is 3-2 and the revision is adopted.

Is there any further revisions on this Docket No. 11-0721?

(No response.)

Is there a motion to enter the Order as revised?

COMMISSIONER COLGAN: So moved.

COMMISSIONER McCabe: Second.

CHAIRMAN SCOTT: It's been moved and seconded.

Any further discussion on the Order as revised?

(No response.)

All in favor say "aye."

(Chorus of ayes.)
Any opposed?
(No response.)
The vote is 5-0 and the Order as revised is entered.
I want to thank everyone for all of the work on this particular case because this really was an awful lot of work by an awful lot of people. I know how difficult this has been especially to Judge Sainsot and Judge Kimbrel. We really want to thank you very much. The deadlines were exceedingly tight as we know in this on due to the new statute. Not only did you have tight deadlines, but you had brand-new material to work with in the statutes and I know how difficult that is. And so thank you and to everyone else who put in long hours on this matter, thank you very much. I appreciate it.

Turning now to Item 5. This is Docket No. 12-0089. This is Ameren's petition for the approval of its multi-year performance metrics under Section 16-108.5(f) and 16-108.5(f-5) of the Public Utilities Act. ALJs Albers and Yoder recommend entry of an Order approving the metrics.
Commissioner Colgan, I believe you have a revision.

COMMISSIONER COLGAN: Thank you, Chairman.

I'm proposing an amendment today to the Commission's conclusion in the section of the Order regarding some arguments that AG and AARP's proposal concerning premise visits. This amendment does not alter the conclusion. The edits that I'm offering are intended to strengthen the position that the Commission's rule regarding a premise visit prior to disconnection is an important consumer protection and can prevent dangerous health and safety conditions due to the loss of essential electricity service. In so doing, I also cite the Commission's Order in the ComEd AMI Pilot Program docket regarding remote disconnection service and this amendment is consistent with that.

So with that, Mr. Chairman and Commissioners, I request your support.

CHAIRMAN SCOTT: Is that in the form of a motion?

COMMISSIONER COLGAN: Yes, sir.
CHAIRMAN SCOTT: Is there a second?

COMMISSIONER FORD: Second.

CHAIRMAN SCOTT: It's been moved and seconded. Any further discussion on Commissioner Colgan's revision?

(No response.)

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 and Commissioner Colgan's revision is adopted.

Is there any further discussion on this matter?

(No response.)

Is there a motion to enter the Order as revised?

COMMISSIONER COLGAN: Chairman, I have another comment I would like to make.

CHAIRMAN SCOTT: Okay. Go ahead, Commissioner Colgan.

COMMISSIONER COLGAN: I would like to mention
the concern that I have regarding the time constraints in this docket that did not allow the Commission adequate opportunity to review the additional metrics proposed by CUB. I agree with the Order's statement that CUB's proposals are a good starting point concerning important additional metrics.

I also agree that to the extent CUB's proposed metrics relate to any of Ameren's upcoming dockets, the parties should consider those metrics. I'm looking forward to reviewing the subsequent Staff report that reviews the metrics approved in this docket and any of Ameren's other related dockets. So I'm not proposing language, I'm just saying that as I read through I looked at those arguments that there are really importantly metrics that we should be considering that have to do with customer benefits as a result of this modernization. And I would like to resolve the vigilant and look for opportunities to continue to embellish the record so that those metrics are more clearly taken into consideration.

So there's no motion, I just wanted to
make that comment.

CHAIRMAN SCOTT: Thank you, Commissioner.

COMMISSIONER O'CONNELL-DIAZ: Having looked at
the record in this matter and we have the statute and
unfortunately the statute is prescriptive. And this
is what happens when we get the new rules and the box
top from Springfield and it really is concerning
because these are -- just as Commissioner Colgan has
noted, these are points that we normally in a normal
situation that we would look at in a full-blown
docketed proceeding. And we do have the background
of the statutory mandates, however. And so I think
we'll have to get creative as to how we approach this
so that we kind of get a filled-in picture of the
metrics as opposed to the prescriptive picture of the
metrics that the statute kind of dictated to us.

Thank you.

CHAIRMAN SCOTT: Thank you.

Any further discussion?

(No response.)

Is there a motion to enter the Order

as revised?
COMMISSIONER FORD: So moved.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER McCabe: Second.

CHAIRMAN SCOTT: It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 and the Order as

revises is entered.

Item 6 is Docket No. 12-0244. This is

the proceeding for review of Ameren's AMI plan. ALJs

Yoder and Von Qualen recommend entry of an Order

denying the Company's proposed AMI plan. I have some

revisions to offer which do not change the conclusion

regarding the denial of the plan on the grounds of

the cost beneficial standard.

Instead, my revisions seek to

reinforce the Order's existing discussion on the

general inadequacy of the level of detail contained

in the Ameren proposed plan, and also provide further

clarity regarding how the plan fails to satisfy the
cost beneficial standard, Section 16-108.6 of the Act, proposing the revisions in part because I think it's important to clarify that even in most places where the Company has met the standard of the Act, they've only minimally done so and the amount of detail is very scant.

Again, these revisions do not change the conclusion of the Order or the conclusion reached in any individual section of the Order. And I would ask for your support and make a motion to approve that provision.

COMMISSIONER McCabe: Second.

CHAIRMAN Scott: It's been moved and seconded. Is there any discussion?

Commissioner O'Connell-Diaz.

COMMISSIONER O'Connell-Diaz: I support your conclusions. This case is very troubling to all of us as we have -- certainly don't want to set up a situation where we are not implementing the law that the legislature gave us. We understand that -- I analogize this situation, this is the ticket to get into the airport. And while we cannot have
everything on that ticket, the Company needs the
ticket in order to get into the airport to start the
modernization and this is an essential part.

My concern as we vote on this is that
we have not set up a scenario that the north and
south are treated differently in our state, the north
being ComEd territory and the south being Ameren
territory. I don't believe that that's the intent of
the legislation. I believe the legislation is
all-encompassing and it is a total plan for our state
to move forward in so many areas.

So I was troubled the other day when
we got the combo platter part to this where we had
the gas and the electric combined. The time lines
were off. They weren't in conjunction with the
statute. So there were many features to this that I
think were troubling as we looked at it. With that
said, I think the Company is aware that the plan had
some problems that could not be overcome in the time
lines that we were all given to do this work and I
would look forward to quickly -- change plan that we
see with regard to having our southern part of our
state be part of the, I believe, legislative intent
of this new law. So it is with that, that I would
concur with your recommendations.

COMMISSIONER FORD: Certainly those were along
the same lines that I spoke about. I didn't want one
part of the state to be computerized and modernized
without the other part having an opportunity to do
the same. So I would like for whatever we do to be
expedited so that we can all be on the same page at
the same time. I realize that some parts of our
state -- coming from the South, I don't want us to be
penalized.

CHAIRMAN SCOTT: Commissioner Colgan.

COMMISSIONER COLGAN: Again, being the only
Commissioner from that part of the state --

CHAIRMAN O'CONNELL DIAZ: Yeah, but you have
high-speed Internet and I don't.

COMMISSIONER COLGAN: I agree. This was really
troubling because I don't think anybody anticipated
that we would be in the situation that we're in here
today. But the cost-benefit analysis is -- you know,
that's really what I'm looking for. We all know that
there are big benefits that can be gained from the new technologies, the grid modernization and the AMI meters that come along with that. We all know that there are really big business that can be achieved there.

But if we can't demonstrate that it has a cost benefit to the customers, we're really left with no conclusion to come to other than the one that's in front us. And I agree that I wish we had a better proposal here so that we could have at least done something to modify it a little bit; but I don't see how we can get there. So I'm in support of this proposal and your recommendation to amend it, Chairman.

CHAIRMAN SCOTT: Further discussion on the revisions?

(No response.)

All in favor of the revisions vote "aye."

(Chorus of ayes.)

Any opposed?

(No response.)
The vote is 5-0 and the revisions are adopted.

Is there further discussion on this matter as revised?

(No response.)

And I'll just say I appreciate all of your comments. I certainly was in the same spot. A couple things -- before I got here you had done a lot of work on these kinds of issues on Smart Grid and on the modernization and all the benefits that that can reach. And I certainly prescribe to that work that you did and to that thought. And obviously when the statute came, you know, our reasons for not supporting the statute didn't have to do with Smart Grid, it had to do with the package that it came in. But the law gets passed and we have to implement it as we can. And then when we got the plan, as was said in the Order and was just further enforced by the revisions, the difficulty is that the cost-benefit analysis -- to get there you have to assume one of two things, neither of which is in the statute. And so there isn't any way, as Commissioner
Colgan said, to actually get there and approve this.

And then second behind that is when you look at very minimal criteria in the earlier part that has to be met, and while we're agreeing that they were minimally met -- very minimally -- and even in some cases some simple vision statement is couched in terms of, you know, if we're allowed full cost recovery, which is not quite what the vision statement had in mind there. The vision statement gets met, but even then it's a condition. And so this is disappointing to me, too, because I, like all of you, have expressed -- you know, once the law passed, we looked forward to implementing it and making sure it gets implemented throughout this case. Unfortunately we're at this position, I agree with Commissioner Ford that hopefully whatever can be done subsequent to this gets done fairly quickly so that there is that opportunity throughout the state. So thank you for all your comments on this.

Is there a motion to adopt the Order as revised?

COMMISSIONER FORD: So moved.
CHAIRMAN SCOTT: Is there a second?

COMMISSIONER O'CONNELL-DIAZ: Second.

CHAIRMAN SCOTT: It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 and the Order as revised denying Ameren's AMI plan is entered.

This is another situation where on behalf of all the Commissioners, we really need to thank the ALJs and the parties, again, a largely unprecedented matter. While we do have some experience with Smart Grid issues as I referred to, we're dealing with fillings made under a brand-new section of the PUA and with a very tight deadline, only 60 days. So a lot of work had to be done in a very short period of time. I want to make sure everybody knows just how much the Commission appreciates the hard work that went into getting this done on time.

So thank you to everyone.
Item 7 is Docket No. 12-0269. This is Palmco Power II's application for a certification as an alternative retail electric supplier. ALJ Riley recommends entry of an Order granting the requested certificate.

Is there any discussion?

(No response.)

Are there any objections to entering the Order?

(No response.)

Hearing none, the Order is entered.

Item 8 is Docket No. 12-0283. This is Glacial Energy's application for a certification as an alternative retail electric supplier. The Company has moved to withdraw its application and ALJ Wallace recommends granting the Company's motions to withdraw.

Is there any discussion?

(No response.)

Is there any objections?

(No response.)

Hearing none, the application is
Item 9 is Docket No. 12-0332. This is Ameren’s petition seeking authority for the proposed issuance of up to $450,000,000 of secured notes for refinancing outstanding indebtedness. ALJ Von Qualen recommends entry of an Order granting the requested authorization.

Is there any discussion?
(No response.)

Are there any objections?
(No response.)

Hearing none, the Order is entered.

Item 10 is Docket No. 12-0262. This is HIKO Energy’s application for certification as an alternative gas supplier. ALJ Yoder recommends entry of an Order granting the requested certificate.

Is there any discussion?
(No response.)

Are there any objections?
(No response.)

Hearing none, the Order is entered.

Item 11 is Docket No. 12-0280. This
is Clearview Electric's application for certification as an alternative gas supplier. The Company has moved to withdraw its application and ALJ Yoder recommends granting the Company's motion to withdraw. Is there any discussion?
(No response.)
Are there any objections?
(No response.)
Hearing none, the application is withdrawn.

Item 12 is Docket No. 12-0179. This is Illinois Bell and Home Telephone Company's Joint Petition for the approval of an Interconnection Agreement. ALJ Baker recommends entry of an Order approving the agreement. Is there any discussion?
(No response.)
Are there any objections?
(No response.)
Hearing none, the Order is entered.

Judge Wallace, are there any other matters to come before the Commission today as part
of this agenda?

JUDGE WALLACE: That's all, Mr. Chairman.

CHAIRMAN SCOTT: Thank you, sir.

Hearing none, this meeting stands adjourned.

Thank you to everyone.

(And those were all the proceedings had.)