BEFORE THE
ILLINOIS COMMERCE COMMISSION

BENCH SESSION
(PUBLIC UTILITY)

Chicago, Illinois
September 9, 2010

Met pursuant to notice, at 10:30 a.m., in the
Main Hearing Room, Eighth Floor, 160 North LaSalle
Street, Chicago, Illinois

PRESENT:

MR. MANUEL FLORES, Acting Chairman

MS. ERIN M. O'CONNELL-DIAZ, Commissioner

MS. LULA M. FORD, Commissioner

MR. SHERMAN J. ELLIOTT, Commissioner

MR. JOHN T. COLGAN, Acting Commissioner

SULLIVAN REPORTING COMPANY, by
Tracy L. Overocker, CSR
ACTING CHAIRMAN FLORES: Before moving into the agenda, according to Section 1700.10 of the Illinois Administrative Code, this is the time we allow for 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 the Bench session. According to the Chief Clerk's Office, we have four requests to speak at today's Bench session.

We'll start with Duane D. Suits of Apple River, Illinois.

Mr. Suits.

MR. DUANE D. SUITS: Good morning. Usually I speak loud enough and I don't need one of these, but let me know if this is okay.

Thank you for the opportunity to address you today. My name, as you know, is Duane D. Suits. I'm a member of the Apple Canyon Lake Property Owners' Association Board of Directors, but today I wish to address you as a resident and property owner at the Lake as well.

As a property owner, I was initially
shocked by the proposal originally presented by the utility. I attended one of the open meetings with representatives of the utility last fall and was expecting to hear some justification for such an increase. Instead, what I heard was a proposal which essentially was based on a recovery of costs, some of which were included in a previous rate increase request, which was denied, I believe it was, in 2004; and then recovery of additional capital costs that they had indicated that they had incurred over the past 4 to 5 years.

The recovery they were asking for would have recovered those costs in 1 year, not over a 10-year basis, which was more to be expected for capital improvements.

My understanding is that Comission -- is that the Commission Staff's proposal has substantially -- or substantially reduces the increase in rates but that proposal results in an increase in the 66 percent range for the, quote, average customer at Apple Canyon Lake. This level of increase is difficult to swallow.
This difficult economic environment facing all of us, particularly for those like myself who are completely dependent on retirement income or will be in the near future and are deeply concerned about escalating costs for healthcare, taxes and other essentials to be paid from a fixed or even diminishing level of income, it is difficult even if it could be justified. But when the Staff's reduced increase recommendations still includes cost recovery for an elaborate nationwide billing system disproportionally allocated to the consumers at Apple Canyon Lake, it includes recovery of costs paid to consultants, the purpose of which is reportedly vague and undefined, and it still provides the utility with a rate of return which is considered to be in the midrange for comparable utilities, seemingly rewarding it for attaining a very high level of unaccounted for water pumped, all of which make this increase even more difficult to swallow.

I am a proponent for rewarding good performance and for providing recovery of justified infrastructure improvements over a reasonable period.
of time; but I do feel that in these times, we have
to say no to requests that do not meet those
criteria.

Thank you again for the opportunity to
address you this morning.

ACTING CHAIRMAN FLORES: Thank you, Mr. Suits.

COMMISSIONER FORD: Thank you.

ACTING CHAIRMAN FLORES: Next, we have Ed Ryan
of Apple River, Illinois.

Mr. Ryan, would you please also step
up to the...

MR. ED RYAN: Thank you for hearing me today.

I've been a property owner and I'm an ex-Board of
Director of Apple Canyon Lake property owners and
I've been a property owner for 41 years and over that
course of 41 years, I've -- I bought a lot in 1960
and I built my first house in 1975. I built another
house when I retired in 1998 and all that time, the
whole 40 years, they've been collecting available
water for availability on vacant lots in the amount
of $60-some a year and there's at least 1,850 vacant
lots there that they've collected money on for
over -- and that's more than paid for that water system 10 times over and they did put in a new well and pump and spent 300,000, but by my guesstimate -- because I can only guesstimate -- that they've collected $6 million in fees where they didn't have to do anything except say that water was available and they collect that every year. And how can they charge us $300,000 to replace a well that -- and a pump?

I mean, I don't know what that money was used for, but I'm sure it didn't cost very much more than a million dollars to build the whole system and pipe it all and when you -- and there's 900 homes besides, and they all pay water fees. You can't get the water unless you build on your lot. So I can't understand how they can ask for a substantial increase. The way I look at it, most of the people up there are retired or going to be retired soon and the way things are going -- I mean, I know they were talking about 300 percent increase. I can't understand -- they have one emp- -- well, now they have two because the other guy is probably getting
ready to retire up there and they're billing -- how much does it cost to send out 2,700 bills? You don't need an elaborate billing system for that and I just don't see how they can justify asking for a substantial increase and I don't know what the progress has been made, but I know this has been going on for over a year and I'd like to see you take some consideration -- I don't know if you people get their books to look at, but I suggest if you don't, you do.

Okay. Thank you.

ACTING CHAIRMAN FLORES: Thank you.

Next, we have Miss Judy Okazaki of Apple Canyon Lake.

Miss Okazaki, please.

MS. JUDY OKAZAKI: Good morning. I'm Judy Okazaki and I'm a homeowner at Apple Canyon Lake. Our home at Apple Canyon Lake is a secondary residence for us at this time, but we have plans to make this our retirement home. I previously followed the process as I knew it and submitted my concerns to the ICC Web site and additionally sent a letter to
try to make sure that my comments would be heard and
considered and I have no idea whether my filing or
the Web site -- on the Web site or the letter are
part of the record at this time. So I am restating
some of that and I have the letter that I could
resubmit today, if I can.

I'm concerned about the rate increase
and the process that allows us the rate increase.
The homeowners of Apple Canyon Lake first tried to
give their input at a meeting at Apple Canyon and I
was taken aback to read the questions and answers
after the meeting could not be included in the
record. Then the attorneys for the utility company
requested the comments be stricken from the record.

In response, ACL organized a trip in
August from Jo Daviess County into Chicago in order
to give public comments at a meeting, but that
meeting was canceled. Then another meeting was to
have taken place yesterday, September 8th. I put in
my request on September 2nd to speak at that meeting
and was given a call, after changing my schedule, and
told that that meeting would be changed to today and
I, once again, had to change my schedule to be here today. So not only has the process been difficult for scheduling meetings for public comment in Springfield and Chicago, but the schedule seems to have changed many times.

The second concern I have is the documents -- I found one of the documents filed for this case, an oral argument, Exhibit 1, I believe, that says, ACL has 890 active customers, service for a cost of 5,710 a year. However, ACL has approximately 2,727 lots with vacant homeowners having to pay, as I did, $66 a year when our house was vacant. So to me, it's important that it be defined in the payments made by vacant lot owners are also concerned.

Additionally, we built our home last year and paid a connection fee of $400. Then my costs for last year were $81. We closed on our house and moved in in September. We don't -- we're only weekenders. We had no watering or -- for our lawn and, although, we have a washing machine, we take our laundry home where we have no payment for water.
Another concern that I have is with regards to the question that I have not received an answer to. A question as to whether each time a utility company purchases the Apple Canyon Lake water controls whether they’ve had to put any money into capital improvements because, to me, if each time a company sells and makes a profit by not addressing capital improvement needs, then this is a disservice to us as users and in the future, could be a disaster with our aging water system. I have not been able to find an answer to that question, so I hope that that's being considered.

I also hope that my testimony can't be eliminated for any reason today that deprives us from having -- or deprives me, as a homeowner, from being heard. I hope my comments will be taken into consideration and I thank you for your time.

ACTING CHAIRMAN FLORES: Thank you, Miss Okazaki.

Last we have Miss Janet Helgason of Apple River.

Miss Helgason.
MS. JANET HELGASON: Good morning.

THE COMMISSION: Good morning.

MS. JANET HELGASON: My name is Janet Helgason and I reside part time at Apple Canyon Lake with my husband. I am retired. He's semiretired. We've been in our residence there for 14 years and I have some points I'd like to make on this increase. ACUC has not adequately justified capital expenditures past, present or future to warrant a rate increase of 300 percent totaling in excess of 1.2 million over the next 5 years. I have here a copy of my recent water bill. I pay $29.58 for the base charge and my water usage. With the proposed rate increase notice, I would be paying $115.05 for the same service, this is a 389 percent increase.

There are no planned capital projects. If this 300 percent rate increase is allowed, that will be -- what will this windfall be used for? If they don't use the funds, are they going to return them?

Billing and accounting software upgrades are done to increase the efficiency and
should result in a payback, otherwise, why do it?
The costs should not be passed to the consumer. This software change has had no benefit to ACL customers. On the contrary, recent bills were delayed or lost. Leak detection inspection repairs and new billing systems should have been budgeted and paid for in an average yearly period. Management for maintenance, what kind of management and maintenance personnel shows a report of 50 percent loss and the results for the unaccounted for water? This is water that is reported missing and it's additional costs of delivery. This is poor management. The costs of extending water mains to new homes should be borne by new homeowners, not part of our water bill or considered a capital expense.

Furthermore, the Company has been already charging the 1,850 vacant lot owners who do not even utilize water service. The cost incurred by the utilities company in which to apply and litigate for rate increases should not be passed onto ACL customers. We needed to hire and pay for our own lawyer to oppose them.
Based on the lack of justification presented here, I would conclude that no rate increase is justified at this time.

Thank you for your attention.

ACTING CHAIRMAN FLORES: Thank you.

In addition, we also received comments from Miss Cynthia Donth-Carton, Apple Canyon. Miss Donth-Carton is unable to attend today's meeting but her written remarks will be included as additional public comments for today's Bench session as allowed under Section 1700.10(d) of the Illinois Administrative Code and I have them. I'll tender them to the court reporter at the conclusion of the session.

Very well. Starting with today's Transportation agenda with the Railroad --

MS. JUDY OKAZAKI: When I said my comments about submitting that letter, can I submit that?

ACTING CHAIRMAN FLORES: You can tender it to me. You can tender it, ma'am. Do you want to approach the -- Brian, could you just get that?

The gentleman will take it from you.
Thank you.

(Whereupon, letters were received by the Commission.)

ACTING CHAIRMAN FLORES: We're going to move to the Public Utility agenda. There are three sets of minutes to approve. We will start with the approval of minutes from the August 10th Regular Opening Meeting. I understand that amendments have been forwarded. Is there a motion to amend the minutes.

COMMISSIONER FORD: So moved.

ACTING CHAIRMAN FLORES: I will second it.

It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

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

COMMISSIONER O'CONNELL-DIAZ: So moved.

ACTING CHAIRMAN FLORES: I will second it.

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

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 approving the minutes for August 10th as amended.

With respect to the minutes from -- for the August 12th Joint Policy Committee Meeting, I understand the amendments have been forwarded. Is there a motion amend the minutes?

COMMISSIONER COLGAN: So moved.

ACTING CHAIRMAN FLORES: I will second it.

It's been moved and seconded.

All in favor say "aye."

Chorus of ayes.

Any opposed?

(No response.)

The vote is 5-0 amending the minutes.

Is there a motion to approve the minutes as amended?

COMMISSIONER ELLIOTT: So moved.

ACTING CHAIRMAN FLORES: I will second it.
It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any Opposed?

No response.

The vote is 5-0 approving the minutes for the August 12th Joint Policy Committee Meeting as amended.

We also have minutes to approve from the August 18th Bench session. I understand that amendments have been forwarded.

I will make a motion to amend the minutes. Is there a second?

COMMISSIONER FORD: Second.

ACTING CHAIRMAN FLORES: It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Opposed?

(No response.)

The vote is 5-0 amending the minutes.

Is there a motion to approve the
minutes as amended?

COMMISSIONER FORD: So moved.

ACTING CHAIRMAN FLORES: I will second. It's been moved and seconded.

All in favor say "aye."

Chorus of ayes.

Any opposed?

(No response.)

The vote is 5-0 approving the minutes for the August 18th Bench session as amended.

Given that we're talking about minutes, I would just like to cover the approval of the minutes for the August 18th Bench session. There are no amendments, and so I would just like to make a motion to approve those minutes.

Is there a second?

COMMISSIONER O'CONNELL-DIAZ: Second.

ACTING CHAIRMAN FLORES: All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)
None. The vote is 5-0 to approve the minutes without amendments and that is for the Transportation agenda and it's -- so moving on to the Electric agenda, Item E-1 concerns initiating reconciliation proceedings --

JUDGE WALLACE: Mr. Chairman?

ACTING CHAIRMAN FLORES: Yes, sir.

JUDGE WALLACE: That would be for the Public Utility. You may have said Transportation.

COMMISSIONER ELLIOTT: No, that was Transportation.

ACTING CHAIRMAN FLORES: No, that was Transportation. Well, I apologize. What had happened was I had skipped over that section in the Railroad -- Transportation Section. But because I had already started talking about minutes in terms of agenda minutes, I thought that I would just include that session so that it would be included in the record. Is that okay, Judge?

JUDGE WALLACE: Yes.

ACTING CHAIRMAN FLORES: Moving on to the actual agenda itself for matters pending before us.
Item E-1 concerns initiating reconciliation proceedings over revenues collected by ComEd under its Rider EDA for energy efficiency and demand response programs.

Staff recommends entering an Order initiating the reconciliation proceedings.

Is there a motion to enter an Order initiating the reconciliation proceedings?

COMMISSIONER O'CONNELL-DIAZ: So moved.

ACTING CHAIRMAN FLORES: I will second. 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 initiating Order is entered. We will use this 5-0 vote for the remainder of the public utilities agenda unless otherwise noted.

Item E-2 is Docket No. 09-0331. This is Rhonda Schilling's complaint as to billing and charges against ComEd.

The parties have apparently resolved
the matter and have brought a Joint Motion to Dismiss which Administrative Law Judge Sainsot recommends that we enter.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Joint Motion to Dismiss is granted.

Item E-3 is Docket No. 10-0031. This concerns Donald Kannenberg's complaint as to billing and charges against ComEd.

Administrative Law Judge Haynes recommends entry of an Order denying Mr. Kannenberg's complaint based on satisfactory responses from the Utility.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered and the complaint is denied.
Item E-4 is Docket No. 10-0108. This item concerns a rulemaking surrounding proposed amendments to Title 83, Part 451 of the Illinois Administrative Code, which addresses the certification of alternative retail electric suppliers which have now been approved by the Joint Committee on Administrative Rules.

Judge Wallace recommends that we enter an Order adopting the amendments to Part 451.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered and the amendments are adopted.

Items E-5 and E-6 can be taken together. These items constitute petitions by Constellation NewEnergy and Glacial Energy of Illinois for proprietary treatment of certain reports.

In each case, Administrative Law Judge Jones recommends entering an Order granting the
requested relief.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the petitions are granted.

Item E-7 is Docket No. 10-0233. This concerns Isaac and Lucinda McMillian's complaint as to billing and charges against ComEd.

Administrative Law Judge Riley recommends entry of an Order denying Mr. and Mrs. McMillian's complaint based on the billing information introduced in the case.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered and the complaint is denied.

Item E-8 is Docket No. 10-0310. This is Flex Energy Management's application for licensure
as an Agent, Broker and Consultant under Section 16-115C of the Public Utilities Act.

Administrative Law Judge Yoder recommends entry of an Order denying the requested certificate of service authority.

Is there any discussion?
(No response.)

Any objections?
(No response.)

Hearing none, the Order is entered and the requested certificate of service authority is denied.

Item E-9 is Docket No. 10-0341. This is Strategic Advisors I's application for licensure as an Agent, Broker and Consultant under Section 16-115 C of the Public Utilities Act.

Administrative Law Judge Yoder recommends entry of an Order denying the requested certificate of service authority.

Is there any discussion?
(No response.)

Any objections?
Hearing none, the Order is entered and the requested certificate of service authority is denied.

Items E-10 and E-11 can be taken together. These are applications by HealthTrust Purchasing Group and EnerCom for licensure as an Agent, Broker and Consultant under Section 16-115 C of the Public Utilities Act.

In each case, Administrative Law Judge Yoder recommends entry of an Order granting the requested certificate of service authority.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered and the requested certificates of service authority are granted.

Item E-12 is Docket No. 10-0424. This concerns ComEd's petition for a protective Order over in its rate case and was filed pursuant to Section
200.430 of the Administrative Code.

Administrative Law Judges Dolan and Sainsot recommend entry of an Order dismissing this document with prejudice, as there is now a motion for a protective Order pending in ComEd's rate case.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered and the docket is dismissed.

Items E-13 and E-14 can be taken together. These are applications by Xencom Green Energy and EMEX Power for licensure as an Agent, Broker and Consultant under Section 16-115 C of the Public Utilities Act.

In each case, Administrative Yoder recommends entry of an Order granting the requested certificate of service authority.

Is there any discussion?

(No response.)

Any objections?
Hearing none, the Order is granted and the requested certificates of service authority are granted.

Items E-15 and E-16 can be taken together. These items concern complaints as to billing and charges brought by Reppie Walker and Myra Okner against ComEd.

In each case, the parties have apparently resolved the matter and have brought a Joint Motion to Dismiss which the Administrative Law Judges recommend that we enter.

Are there -- is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Joint Motions to Dismiss are granted.

Turning to Gas. Item G-1 is Docket No. 10-0160. This concerns Just Energy's Petition for Emergency Relief to protect portions of its report of continued compliance as an alternative gas
supplier.

Administrative Law Judge Jones recommends entry of an Order granting the requested relief.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered and the request for proprietary treatment is granted.

Item G-2 is Docket No. 10-0232. This item concerns Atmos Energy Corporation's application for Commission approval of a plan to -- a plan for the issuance of 106,568 shares of common stock pursuant to its non-employee director plan, with the amount not to exceed $4 million.

Judge Wallace recommends entry of an Order approving the application.

Is there any discussion?

(No response.)

Any objections?

(No response.)
Hearing none, the Order is entered and the application is approved.

Item G-3 is Docket No. 10-0352. This concerns a complaint by Gina Kazecki and Zdzislaw Zaremba against Just Energy Corporation. The complaint alleges that they were improperly billed for gas service by the Company. The parties have now apparently settled their differences and brought a Joint Motion to Dismiss, which Judge Kimbrel recommends that we grant.

Is there any discussion?
(No response.)

Any objections?
(No response.)

Hearing none, the Joint Motion to Dismiss is granted.

Item G-4 is Docket No. 10-0469. This concerns Progressive Energy Group's Petition to De-Certify as an Alternative Gas Supplier.

Administrative Law Judge Teague recommends entry of an Order granting the requested relief.
Is there any discussion?
(No response.)
Any objections?
(No response.)
Hearing none, the Order is entered and the de-certification is granted.

Item G-5 is Docket No. 10-0501. This item is Integrys Energy Service's Petition for Proprietary Treatment for certain portions of its financial reports.

Administrative Law Judge Teague recommends entry of an Order granting the requested relief.

Is there any discussion?
(No response.)
Any objections?
(No response.)
Hearing none, the Order is entered and the proprietary treatment is granted.

Moving now to telecommunications.

Items T-1 through T-5 will be taken together. These items concern applications for Certificates of
Authority to operate as a reseller and/or carrier under Section 13-401 through Section 13-405 of the Public Utilities Act.

In each case, the Administrative Law Judge recommends entry of an Order granting the certificate.

Is there any discussion?

(No response.)

Any objections?

(No response.)

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

Items T-6 -- excuse me. Item T-6 is Docket No. 10-0433. This item concerns a complaint by Affinity Title Services against Cbeyond Communications regarding the quality of service provided.

In this case, the parties have apparently resolved their differences and have brought a Joint Motion to Dismiss, which Administrative Law Judge Gilbert recommends that we grant.
Is there any discussion?
(No response.)
Any objections?
(No response.)
Hearing none, the Joint Motion to Dismiss is granted.

Items T-7 through T-12 will be taken together. These items each involve joint petitions surrounding the resale and interconnection agreements under 47 U.S.C. Section 252.

In each docket, the Administrative Law Judge recommends entering an Order approving a new agreement or amending an existing agreement.

Is there any discussion?
(No response.)
Any objections?
(No response.)
Hearing none, the Orders are entered.

Items T-13 though T-16 can also be taken together. Each case involves proceedings initiated by the Commission concerning the revocation of Certificates of Service Authority for failure to
maintain corporate status.

In each docket, Administrative Law Judge Teague recommends entry of an Order revoking the respondent's Certificate of Service Authority.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Orders are entered and the certificates are revoked.

Item T-17 is Docket No. 10-0247. This concerns a petition by Associated Network Partners for proprietary treatment for certain portions of its annual report.

Administrative Law Judge Jones recommends entry of an Order granting the requested relief.

Is there any discussion?

(No response.)

Any objections?

(No response.)

Hearing none, the Order is entered and
the request for proprietary treatment is granted.

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

Item W-1 is Docket Nos. 09-0548 and 09-0549, which is the Apple Canyon and Lake Wildwood rate case.

After Judge Kimbrel submitted his proposed Order, the parties submitted briefs on exception and reply briefs on exception in this case, and some of the changes to the rate base section were made in the Order that is before us today. The Commission also held Oral Argument on this matter on September 2nd.

Is there any discussion of this case?

(No response.)

Is there a motion to enter the Order presented by Judge Kimbrel in this case?

COMMISSIONER ELLIOTT: So moved.

ACTING CHAIRMAN FLORES: I will second it.

It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)
Any opposed?

(No response.)

The vote is 5-0 and the Order is entered.

We have a couple of other matters to address today. The first concerns a report on telecommunications markets in Illinois prepared by Staff pursuant to Section 13-407 of the Public Utilities Act.

Staff, could you please approach and brief us on this matter.

JUDGE WALLACE: Mr. Chairman, are we coming back to M-1?

ACTING CHAIRMAN FLORES: I'm sorry. Could you please speak up, sir.

JUDGE WALLACE: It probably would help if I turned the microphone on.

Mr. Chairman, are we going back to M-1?

ACTING CHAIRMAN FLORES: Yes. Miscellaneous.

MR. ZOLNIEREK: Good evening. This is Jim Zolnierek from staff of the Telecommunications
Division. The Report to the General Assembly that's on the agenda is a report pursuant to Section 13-407 of the Public Utilities Act. Each year the Commissioners enter a report complete with the information to the General Assembly. The Report before you this year contains a few surprises. It's much -- the patterns we see in this Report are much the same as we've seen in previous years. In particular, to highlight a few of the changes, a decline in the number of reported POTS lines have occurred this year, as they have in the past. These patterns are likely due to losses to the wireless industry and to nonreporting carriers, for example, Nomadic VoIP, Voice over Internet Protocol services, and 911 information, we've been able to fill some of the gaps for this -- for these numbers that we don't get directly from carriers, but not completely and so the numbers in the Report are going, to some extent, understate the amount of competition in Illinois. For example, for the 911 information, we received about 400,000 lines or about 8 percent of residential lines that were not reported because the carriers
providing those lines were either not -- either
didn't report or likely -- more likely were not
required to report, for example, they were using
technologies that fall largely outside the scope of
the Commission's authority.

Similar to previous years, we've seen
the share -- the CLEC's share of the market increase
of the reported market. ILEC lines, incumbent local
exchange carrier, have decreased and CLEC lines have
increased marginally. CLECs show overall -- of the
overall market was between 23 to 28 percent, again,
that's an understatement because it doesn't count
losses where consumers had, for example, went
completely wireless.

The CLEC's res share is even harder.
We're getting the reported share between 25 and 33
percent, again, that's understated for the same
reasons.

The CLEC's share in the market. When
we look at CLECs and how they're providing services,
similar to what they did in the past, it's continued
with the patterns we've seen before where CLECs are
continuing to increasingly provide services over their own facilities rather than using other platforms such as unbundled network element or resale. The CLEC's share -- of the CLEC market that's been reported to us -- was approximately 60 percent of those lines were provided to the CLEC's own facilities and those are primarily like cable platforms and other similar facilities based an carriers.

Mobile subscribership continues to increase, that's no surprise, we've seen that every year for several years.

So in general, this Report really contains very few surprises. The patterns we see are similar to what we've seen in the past and probably expect to see continuing going forward. This is -- it's worthy to note this is the last Report that we prepare pursuant to 13-407 as it existed prior to the recent changes in the Telecommunications Act.

Going forward, the nature of the Commission's job pursuant to 13-407 changes just a bit. We have some increase certainly in terms of who
we can collect information from and, in particular, it appears that we now have explicit authority to collect certain information from voice over Internet service providers, that was an area of uncertainty before and those are fixed voice over Internet service providers and not necessarily nomadic.

In addition, the broadband collection duties that the Commission previously had now are no longer exclusive with the Commission. We're going to work -- the Commission is going to work jointly with some other agencies, DECO and the Partnership For a Connected Illinois, to further their efforts to collect more granular broadband information, they will collect very detailed information on often -- in particular, if you have a Web site which you've listed in the Report, you can actually see lists of providers by address. If consumers type in their address, they can determine, at least, some of the providers providing service in their area and we intend to work with those agencies and Partnership for a Connected Illinois to improve that data and make it more available for consumers overall.
With that, that concludes my remarks and with your approval, the Office of Governmental Affairs will finalize the Report and submit that -- submit it to the General Assembly.

ACTING CHAIRMAN FLORES: Any questions for Mr. Zolnierek?

COMMISSIONER ELLIOTT: Just one question. You mentioned that the ability for a consumer to type in their address on the DECO Web site?

MR. ZOLNIEREK: No, it's in the Partnership for a Connected Illinois Web site and I've got addresses listed in the Report.

COMMISSIONER ELLIOTT: Is that a functionality you're going to add to our own Web site?

MR. ZOLNIEREK: Potentially a link to that Web site?

COMMISSIONER ELLIOTT: It seems like a convenient location for consumers to get information on available providers for telecommunications services.

MR. ZOLNIEREK: Absolutely. I think -- we'll work with IT to get that information on our Web site
so consumers can easily find it.

COMMISSIONER ELLIOTT: Great. Thank you.

MR. ZOLNIEREK: Thank you.

ACTING CHAIRMAN FLORES: Any other comments?

(No response.)

Very well. Thank you for the Report.

I'd like to make a motion to send this report on to the General Assembly and have it posted on the Commission's Web site.

Is there a second?

COMMISSIONER ELLIOTT: Second.

ACTING CHAIRMAN FLORES: It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 and the Report will be sent to the General Assembly and posted to the Commission's Web site.

Mr. Zolnierek, thank you so much for your work and also thank you to the other staff as
Item M-1 concerns proposed rules to Title T -- excuse me, Title 2, Illinois Administrative Code Part 1700. The amendment adds standards by the -- for the use by the Chairman of the Illinois Commerce Commission in determining whether to grant a request by a member of the public to speak at a Commission meeting.

Is there a motion -- I'd like to make a motion to approve the minutes -- excuse me, to approve the amendments to these rules.

Is there a second?

COMMISSIONER FORD: Second.

ACTING CHAIRMAN FLORES: It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 and the amendments to Part 1700 are approved.

The -- our last item today is a FERC
matter, so we're going to have to go into closed session.

Is there a motion to go into closed session?

COMMISSIONER FORD: Aye.

ACTING CHAIRMAN FLORES: I second it. It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0 to go into closed session.

Springfield, please let me know when we are ready to go into closed session.

JUDGE WALLACE: We're ready.

(Whereupon, at this point Pages 43-52 are contained in a separate closed transcript.)
CONTINUATION OF PROCEEDINGS

ACTING CHAIRMAN FLORES: In closed session, the Commission discussed filing comments to FERC regarding the Midwest ISO's July 15th transmission cost allocation filing.

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

COMMISSIONER ELLIOTT: So moved.

ACTING CHAIRMAN FLORES: I will second it.

It's been moved and seconded.

All in favor say "aye."

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 5-0. The comments will be filed with FERC.

Judge Wallace, are there any other matters to come before the Commission today?

JUDGE WALLACE: No. I would like to go back.

Did you receive Transportation minutes at a late date? Because there's no Transportation minutes on the Transportation agenda.
ACTING CHAIRMAN FLORES: No, I think, please forgive me. I mean, this might be my error, but I'm looking at -- I'm following the -- just the regular agenda here in terms of the approval of the minutes for the Transportation agenda. So there was no -- that's what I'm looking at. I'm looking at my actual agenda that was printed and there are minutes of the August 18th, 2010 Bench session.

JUDGE WALLACE: For the Transportation -- okay. That's fine. I was looking at the agenda I have down here and there weren't any minutes on that. So...

ACTING CHAIRMAN FLORES: I mean, we were not -- there were no amendments to it, but we still have to approve the minutes.

JUDGE WALLACE: Right, and I'm just saying that on the agenda we have down here there were no minutes at all listed.

COMMISSIONER O'CONNELL-DIAZ: Is that a revised agenda?

JUDGE WALLACE: I'm at a loss. I don't know. I was just -- I just caught that and that's what I was asking. So if you have minutes for
Transportation, you've approved them and that's all there is today.

ACTING CHAIRMAN FLORES: That's why I think there was a little confusion early on but I would rather error on the side of approving minutes on the one agenda that I have. So -- but thank you, Judge, and regret any confusion.

Hearing none -- that there are no matters then, the meeting is adjourned. Thank you, everybody.

(Meeting adjourned.)
To Whom It May Concern:

I am writing regarding the rate increase that has been proposed for Apple Canyon Lake and to request that you block it. My address is 7A85 Apache, Apple River, IL 61001.

The letter we received from the water company Apple Canyon Utility Company - Utilities Inc. Stated, "Assuming an average consumption of 2,000 gallons the monthly charge for monthly water service will increase from $14.83 to $48.04."

This extreme rate increase is unjustifiable, unaffordable and outrageous. If each utility and taxing body was able to add increases in incremental amounts as high as this most home and property owners would not be able afford to be in the area.

Further the company already charges vacant property owners who do not even utilize water services. ACL consists of 2,727 lots, less than 850 have homes on them.

Another reason sited for the increase was a New Accounting and Customer Care & Billing System. Just as in our home budgets, if funds are not available to purchase desired improvements than we can't do it anyway and hope to get the money later.

One of the expenses they sited was adding a dedicated main installed to Fair Oaks, a street that didn't already have a line, to accommodate new construction at the end of the street and at the same time adding service to 4 vacant lots. There are a great number of streets that don't already have a line, so according to this means of charging, if a number of new homes were to be built on streets with no existing lines we would have to absorb the cost of each new line when it goes in and service to all of the vacant lots on those streets. That alone could make the fees unaffordable.

Please, stop this rate increase! You may make my complaint public. Additionally, please follow-up with me by phone.

Sincerely,
Judy Okazaki
7A85 Apache Drive
Apple River, IL 61001
847-732-3823
STATE OF ILLINOIS

ILLINOIS COMMERCE COMMISSION

Public Participation Request Form

DATE: Sept. 8, 2010

I request an opportunity to address the Illinois Commerce Commission during the public comment period of the Illinois Commerce Commission meeting scheduled for Thursday, Sept. 9, 2010.

(Required information is marked with an asterisk [*].)

NAME: * CYNTHIA DONAH-CARTON

ADDRESS: 149157 CANYON CLUB DR, APPLE RIVER, IL 61001

SUMMARY OF THE PRESENTATION: * Would like to go on record

*See second page

GROUP REPRESENTED BY PERSON MAKING REQUEST (If none, state "None."): Apple Canyon Lake Property Owners Assoc.

TELEPHONE NUMBER: 815-472-2238

E-MAIL ADDRESS: BOOKKEEPER @APPLECANYONLAKE.ORG

The request must be submitted to the Chief Clerk of the Commission at least 24 hours prior to the Commission meeting, at the following address:

Illinois Commerce Commission
Chief Clerk's Office
527 E. Capitol Avenue
Springfield, IL 62701
Fax: (217) 524-0673
PublicRequest@icc.illinois.gov

The Chief Clerk's Office will notify you as to whether your request has been granted or denied.
As a business and community ACLPOA understands that companies are working on shoestring budgets. We must be fiscally responsible to our property owners. We are respectfully asking that you require Apple Canyon Utilities to be fiscally responsible to their customers as well.

It is hard for us to imagine that your Commission would go to the Legislature and request a 275 percent increase in your budget. Yet that is precisely what Apple Canyon Utilities is proposing in its current rate case.

The water rates for this association are already high. In addition to the homes receiving water, and a monthly bill, there are __ owners of lots with no homes and no water lines paying monthly fees. These people have been doing so since 1969. Utilities Inc has been receiving payments for water and infrastructure they have not provided. A fiscally responsible business would be investing these payments toward capital improvements they had included in a long range plan.