BEFORE THE

ILLINOIS COMMERCE COMMISSION

REGULAR OPEN MEETING

(PUBLIC UTILITY)

Thursday, September 10, 2015

Chicago, Illinois

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

PRESENT:

BRIEN J. SHEAHAN, Chairman
ANN MCCABE, Commissioner
SHERINA E. MAYE, Commissioner
MIGUEL DEL VALLE, Commissioner
JOHN R. ROSALES, Commissioner

SULLIVAN REPORTING COMPANY, by
PATRICIA WESLEY
CSR NO. 084-002170
CHAIRMAN SHEAHAN: Good morning. Are we ready to
in Springfield?

MR. MATRISCH: Yes, Chairman.

CHAIRMAN SHEAHAN: Pursuant to the Open Meetings
Act, I call the September 10, 2015 Bench Session of
the Illinois Commerce Commission to order.

Commissioners McCabe, del Valle, Maye
and Rosales are present with me in Chicago. We have
a quorum.

We have no requests to speak and will,
therefore, move on to our Public Utility Agenda, we
do have edits to the Minutes of our August 12th
meeting.

Are there any objections to approval
of the Minutes of August 12, 2015 as edited?

Hearing none, the Minutes as edited
are approved.

Item E-1 concerns ComEd's Revisions to
its Interest Rates to Properly Align with the new

Are there any objections to not
suspending the filing?

(No response.)

Hearing none, the filing is not suspended.

Item E-2 concerns ComEd's Filing to Revise its Local Government Compliance Adjustment Rider.

Are there any objections to not suspending the filing?

(No response.)

Hearing none, the filing is not suspended.

Item E-3 concerns revisions to MidAmerican Energy Company's Filings to Revise its Electric and Gas Tariffs in Accordance with the Illinois Administrative Code Part 280.

Are there any objections to not suspending the filing?

(No response.)

Hearing none, the filings are not suspended.

Item E-4 involves an Order initiating
a Rulemaking Proceeding to Consider Changes to the Marketing Practices Applicable to Retail Electric Suppliers in Illinois.

We have a few substantive edits to the proposed Order concerning a requirement that the Order be drafted within 180 days.

I move for the adoption of the edits.

Is there a second.

COMMISSIONER MAYE: Seconded.

CHAIRMAN SHEAHAN: Is there any discussion?

(No response.)

All those in favor, say aye.

(Chorus of ayes.)

Opposed, say nay.

(No response.)

The edits are adopted.

I will move the Order as edited.

Is there a second?

COMMISSIONER MAYE: Seconded.

CHAIRMAN SHEAHAN: Is there any discussion?

Commissioner del Valle.

COMMISSIONER del VALLE: Mr. Chairman, first of
all, I would like to thank you for your edits. It shows that we are moving this process along. I have some questions.

Do our rules address the content presentation of disclosures on the face of the marketing materials and what they say?

MR. CLAUSEN: You said on the face of the marketing materials? Is that your question?

COMMISSIONER del VALLE: The rules that are used.

MR. CLAUSEN: Right. The rules that we have in place right now, which are Code Part 412, there is one specific section in Code Part 412 that lays out certain disclosures that have to happen regardless of the form of the marketing, whether that's telemarketing, direct mail I think is what you were talking about, or on-line marketing, and it lists a number of items that need to be disclosed. It doesn't go into I think the level of detail that you are saying where exactly they need to be in the piece of the marketing material.

So right now the disclosures that are required, just to give you an example, asks for
disclosure of the price, the length of terms, any early termination fees, but they don't go into more detail.

COMMISSIONER del VALLE: And so they don't require that. For example, I have here something that I received, and there's no mention at all of a variable rate, and at the bottom there is a detachment that calls for requests that you provide the ComEd account number and basically says that you detach this, you send it in and you are switched, but, on the other side, the part that I have highlighted, you only mention a variable rate.

So our rules do not require that that be on the face of the mailing at the body of the basic information that's provided in terms of the offer that's being made for electricity?

MR. CLAUSEN: Correct. Our rules currently do not go into that level of detail. The only thing that 412.10 says that if it is a separate document each list of items is not to be no longer than two pages and it has to be a 10 point font or larger. That's just one example.
In the Staff report that you got from us we want to explore things that are addressed in 412 generally, so even things outside of what the NOI comments that were received specifically we want to make -- Staff will propose some changes that probably go more in that area of detail.

COMMISSIONER del VALLE: This is my opinion. We have to change that, at least put in a statement that suggest that you read the contract before you send in the detached piece giving your ComEd account number which in essence authorizes them to change your service.

You know, they have, in addition to this, another insert that was included with this that says "Frequently asked questions about switching to clean energy;" again, no mention of the variable rate --

MR. CLAUSEN: In the frequently asked questions page --

COMMISSIONER del VALLE: -- and so that's the kind of marketing practice that I think we have to put a stop to.
So do our rules require that price and any other important terms and conditions be disclosed on the face of the marketing mailer? The answer to that question, based on what you said, is no.

MR. CLAUSEN: Correct.

COMMISSIONER del VALLE: Does the act or rules prohibit the use of language that is confusing or missing on the face of the marketing mailer, for example, prohibiting use of clean carbon free or sustainable and work around the definition for renewable or green energy? It doesn't address that.

Any comments to these specific issues in the NOI?

MR. CLAUSEN: On those that you mentioned, I think only the last one that you mentioned is on clean energy. There's a discussion in the NOI that was one of the specific things that we threw out that we wanted to make comment on.

But, as you know from our Staff report, what we are recommending here, based on -- based on the NOI, as well as on our experience and
interaction with the suppliers and the informal
complaints that we have received at this Commission,
we are actually proposing in the Staff report to
make changes to our existing rules that go beyond
the issues that were specifically asked and
addressed in the NOI, so the draft of the issue that
we sent you actually has language to the effect of
these issues should be addressed, but including, but
not limited, to.

So, in addition to what Staff is
proposing, we expect other parties will propose
additional items in this rulemaking, so the NOI is
not limiting the set of issues that we expect in the
rulemaking.

COMMISSIONER del VALLE: So the issues that I
have raised in consideration of these issues would
not fall outside the scope of this proposed
rulemaking?

MR. CLAUSEN: No, they would not fall outside.
In fact, Staff itself is proposing things that
weren't exactly addressed in the NOI and we are
currently drafting -- and what you just described in
terms of direct mail, we are currently drafting a
draft proposed rule that will actually revamp some
of that section that we have right now, and it will
be Staff's proposal, and we expect other parties
will have their own opinions on what should be done.

COMMISSIONER del VALLE: Thank you.

CHAIRMAN SHEAHAN: We have a motion that's been
seconded to adopt the Order as amended.

All those in favor, say aye.

(Chorus of ayes.)

Opposed, say nay.

(No response.)

The ayes have it and the Order is
approved.

Item E-5 involves a complaint filed
against ComEd regarding billing in Illinois.

Is there any objection to approving
the proposed Order dismissing the complaint?

(No response.)

Hearing none, the Order is approved
and the complaint is dismissed.

Item E-6 involves the Reconciliation
of Revenues Collected under ComEd's Purchase of
Receivables with Consolidated Billing Rider.

Are there any objections to approving
the proposed Order?

(No response.)

Hearing none, the Order is approved.

Items E-7 and 8 involve complaints
filed against ComEd regarding billing in Illinois.

Are there any objections to
considering these items together and approving the
proposed Order denying the complaints?

(No response.)

Hearing none, the Orders denying the
complaints are approved.

Items E-9 and 10 involve complaints
filed against ComEd regarding billing in Illinois.

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

(No response.)

Hearing none, the Joint Motions to
Dismiss are granted and the complaints are
Item E-11 concerns Ameren Transmission Company of Illinois' Petition pursuant to the Public Utilities Act Authorizing the Use of Eminent Domain Power.

Are there any objections approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Items E-12 thru 15 concern Joint Petitions Seeking Approval of the Release of Commercial Customers Pursuant to the Electric Supplier Act.

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

(No response.)

Hearing none, the Orders are approved.

Items E-16 through 19 involve various Applications for Licensure of Agents, Brokers and Consultants under the Public Utilities Act.

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

(No response.)

Hearing none, the Orders are approved.

Moving on to our Gas Agenda Items G-1 through 4 concern the Commencement of Reconciliation Proceedings of Revenues Collected under Gas Adjustment Charges with Actual Costs Prudently Incurred.

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

(No response.)

Hearing none, the Orders are approved.

Item G-5 involves a complaint against Ameren regarding a meter issue.

Is there any objection to approving the proposed Order and granting the parties' Joint Motion to Dismiss?

(No response.)

Hearing none, the motion is granted and the complaint is dismissed.
Item G-6 involves a complaint against Nicor as to billing issues in Rockford, Illinois. Is there any objection to approving the proposed Order and granting the parties' Joint Motion to Dismiss?

(No response.)

Hearing none, the motion is granted.

Item G-7 involves an agreed upon stipulation determining Gleeson Asphalt, Inc.'s liability under the Illinois Underground Utility Facilities Damage Prevention Act. Are there any objections to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Moving on to our Telecommunications Agenda, Item T-1 is Everycall Communication, Inc.'s Motion to Withdraw its Application for Designation as an Eligible Telecommunications Carrier in Illinois. Is there any objection to granting its Motion to Withdraw?
(No response.)

Hearing none, the Motion to Withdraw
is granted and the Order is approved.

Item T-2 involves a complaint against
AT&T as to billing issues in Chicago, Illinois.

Is there any objection to granting the
parties' Joint Motion to Dismiss?

(No response.)

Hearing none, the motion is granted
and the complaint is dismissed.

Item T-3 concerns BCDC Connect's
Application for a Certificate of Local and
Interexchange Authority to Operate as a Reseller and
Facilities-Based Carrier of Telecommunications
Services throughout Illinois.

Are there any objections to approving
the proposed Order?

(No response.)

Hearing none, the Order is approved.

Item T-4 concerns LSSI Data
Corporation's Application to Cancel its Certificate
of Service Authority.
Are there any objections to approving
the proposed Order?

(No response.)

Hearing none, the Order is approved.

Item T-5 concerns Metro
Communication's Petition for Confidential Treatment
of its Annual Report.

Is there any objection to approving
the proposed Order?

(No response.)

Hearing none, the Order is approved.

Items T-6 through 8 involve various
Petitions for Modifications to the 9-1-1 Emergency
Telephone Number Systems throughout Illinois.

Are there any objections to
considering these items together and entering the
proposed Orders?

(No response.)

Hearing none, the Orders are entered.

Moving on to our Water and Sewage,
Item W-1 concern Aqua and Illinois American-Water
Company's Joint Petition to Initiate a
Rulemaking for Approval of Amendments to Illinois Administrative Code regarding Qualifying Infrastructure Plant Surcharge.

We have substantive edits to the proposed Order. The substantive edits include consideration of Accumulated Deferred Income Tax Liabilities and Accumulated Depreciation as factors to determine the QIP Surcharge under the Illinois Administrative Code.

I move for the adoption of these edits.

Is there a second?

COMMISSIONER MAYE: Seconded.

CHAIRMAN SHEAHAN: Is there any discussion?

(No response.)

COMMISSIONER McCabe: I support the Chairman's edits on ADIT, which will make this rule consistent with the gas QIP's treatment of ADIT, generally-accepted accounting principles, state law and prior Commission decisions.

The Public Utilities Act requires that a utility's investment in plant on which it earns a
return must be properly valued. The fact that the existing Water QIP Rule requires the inclusion of accumulated depreciation and associated ADIT within the excess earnings test underscores the importance of those amounts in properly valuing a utility's QIP investment.

CHAIRMAN SHEAHAN: Thank you.

Commissioner del Valle.

COMMISSIONER del VALLE: Thank you. I support the edits and I think greatly improves the new Order, but I just want the record to show that I share the concerns with the residents that these changes would have the effect of Aqua's increasing its rates more than it needs to file a rate case before the Commission that would require an examination of Aqua's cost structure. Also I'm hoping this would be addressed during the process.

CHAIRMAN SHEAHAN: Thank you, Commissioner.

Any other discussion regarding the edits?

(No response.)

All those in favor of adopting the
edits, say aye.

(Chorus of ayes.)

Opposed, say nay.

(No response.)

The edits are adopted.

I do move that we adopt the motion as edited.

Is there a second?

COMMISSIONER McCABE: Seconded.

CHAIRMAN SHEAHAN: Is there any discussion?

(No response.)

I would just echo the Commissioner's concern and note that this is a first step in the process. The next step will involve receiving comments from parties that are interested, and we encourage that and look forward to those comments as we develop this rule.

COMMISSIONER MAYE: Commissioner, may I address a couple of those.

I also share your concern. I think the ADITs were drafted in a way so that there would not be, you know, that rate shock, but the rates
hopefully won't rapidly increase in such a manner that they're shocking to the residents but allow the utilities to make the necessary infrastructure repairs needed to make our residents safe.

So I think we are trying to strike a balance here. I agree that this is the very first step and will probably be a long method in making this all come together.

CHAIRMAN SHEAHAN: Thank you, Commissioner.

Any other comments?

(No response.)

Commissioner McCabe.

COMMISSIONER McCabe: As mentioned, the rule will go to the Secretary of State for publication in the Register for comments. Amending these rules will enable greater investment in water and sewer infrastructure, which should lead to benefits such as reduced main breaks and water leaks.

I am interested in comments on the possibility for repeated QIP-related customer bill increases and would seek input on questions such as whether the 2.5 percent annual average increase
remains reasonable if more than four or five years go by without a rate case and whether the Commission should require participating companies to submit to a periodic review of rates or cap the allowed increase in rates under the proposed rule.

CHAIRMAN SHEAHAN: Thank you, Commissioner. I also echo those questions.

Any further discussion?

(No response.)

All those in favor of adopting the Order as edited, say aye.

(Chorus of ayes.)

The ayes have it.

Opposed, say nay.

(No response.)

The ayes have it and the Order as edited is adopted.

Moving on to Item W-2, this concerns Aqua Illinois' Petition Requesting the Use of Eminent Domain pursuant to the Public Utilities Act.

Is there any objection to approving the proposed Order?
Hearing none, the Order is approved.

Item W-3 concerns a complaint filed against Utility Services of Illinois regarding bills for availability service.

Is there any objection to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

On our Miscellaneous Agenda, we have one item concerning Illinois Extension Pipeline Company's Petition to Protect Certain Confidential and Proprietary Information.

Is there any objection to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

We have a second item on our Miscellaneous Agenda. Item M-2 concerns BP Pipeline's Motion to Withdraw its Petition seeking a Certificate Authorizing Operation as a Common Carrier by Pipeline.
Is there any objection to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Moving on to our Petitions for Rehearing, Item PR-1 concerns a petition filed by CUB and the Environmental Defense fund requesting the initiation of a proceeding to approve a tariff implementing a Community Solar Pilot Program.

Is there a motion to deny the Application for Rehearing?

COMMISSIONER ROSALES: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER McCabe: Seconded.

CHAIRMAN SHEAHAN: Is there any discussion?

(No response.)

All those in favor of denying the application, say aye.

COMMISSIONER McCabe: Aye.

CHAIRMAN SHEAHAN: Aye.

COMMISSIONER MAYE: Aye.

COMMISSIONER ROSALES: Aye.
CHAIRMAN SHEAHAN: Opposed, say nay.

COMMISSIONER del VALLE: Nay.

CHAIRMAN SHEAHAN: The vote is 4 to one and the Application for Rehearing is denied.

Item PR-2 concerns a complaint filed against Ameren Illinois regarding billing in East St. Louis.

Is there any objection to denying the application Request for Rehearing?

(No response.)

Hearing none, the application Request for Rehearing is denied.

We have one further item on our agenda regarding the approval of a "Capacity Benchmark Report of the Procurement Administrator." This is from the September 2015 Solicitation of Bids to Sell Zonal Resource Credits to Ameren Illinois Company.

Is there a motion to approve the report?

COMMISSIONER MAYE: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER ROSALES: Seconded.
CHAIRMAN SHEAHAN: Is there any discussion?

(No response.)

All those in favor of approving the report, say aye.

(Chorus of ayes.)

Opposed, say nay.

(No response.)

The ayes have it and the report is approved.

Judge Kimbrel, do we have any other matters to come before the Commission this morning?

JUDGE KIMBREL: Nothing further, Mr. Chairman.

CHAIRMAN SHEAHAN: Commissioner del Valle, I believe you have a comment to make.

COMMISSIONER del VALLE: Yes. Thank you, Mr. Chairman.

In today's highly-interconnected world, telephones provide a lifeline to emergency help and a viable link to government services, community resources, friends and families, and employment, not everyone can forward the cost of a home telephone service. Many Illinois households
still do not have telephone service in their homes.

Last year over a half-a-million Illinois residents relied on Lifeline Assistance for their telephone services, but that number only represents about half of those who are eligible in Illinois. Consumers should not be without local phone service because they cannot afford it.

The Federal Lifeline Assistance Program offers discounts to eligible low-income consumers across America to help to make telephone service accessible to all. It is imperative to ensure that all Illinoisans and citizens have access to affordable basic local telephone service, finding a job, connecting to their families or getting help in an emergency.

The Lifeline Program, which was started in 1985 by the Reagan Administration and later expanded to Prepaid Wireless Service Providers by the Bush Administration in 2005, has undergone a transformation in recent years to include program efficiency and combat waste, fraud and abuse.
recent updated its rules governing Lifeline Program
eligibility and non-duplication of support and is
currently engaged in further reforms to enhance
them. The ICC has also taken steps in its ongoing
role authorizing Lifeline providers.

The week of September 14th through the
20th has been declared Lifeline Awareness Week by
the Telecommunications Commission and the National
Association of Regulatory Utility Commissioners and
the National Association of State Utility Consumer
Advocates. Such activities are not limited to the
national level but local governments, as well.

As examples, Georgia's Governor,
Nathan Deal, and Michigan's Governor, Rick Snyder,
have recognized its importance with a proclamation
declaring next week Lifeline Awareness Week, and
Georgia's Public Service Commission is promoting
public education in their state.

I call upon industry leaders and
consumer advocates to educate residents about state
and federal programs for telephone connectivity
during National Lifeline Awareness Week and further
initiate and promote outreach events during this
special week.

Thank you, Mr. Chairman.

CHAIRMAN SHEAHAH: Thank you, Commissioner.

Are there any other comments or other
business to be brought before the Commission this
morning?

(No response.)

Seeing none, we stand adjourned.

Thank you.

(Whereupon, the above matter
was adjourned.)