BEFORE THE
ILLINOIS COMMERCE COMMISSION
PUBLIC UTILITY SPECIAL OPEN MEETING
Monday, September 11, 2017
Chicago, Illinois

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

PRESENT:

BRIEN J. SHEAHAN, Chairman
SADZI M. OLIVA, Acting Commissioner (Telephonically)
SHERINA MAYE EDWARDS, Commissioner
MIGUEL del VALLE, Commissioner
JOHN R. ROSALES, Commissioner

SULLIVAN REPORTING COMPANY, by
BRAD BENJAMIN, CSR
LICENSE NO. 084-004805
CHAIRMAN SHEAHAN: Good morning.

Are we ready to proceed in Springfield?

ACTING COMMISSIONER OLIVA: Yeah.

CHAIRMAN SHEAHAN: Pursuant to the Open Meetings Act, I call the September 11th, 2017, Special Open Meeting to order.

Commissioners del Valle, Edwards, and Rosales are present with me in Chicago. Acting Commissioner Oliva's present in Springfield. We have a quorum.

We have one request to speak. As a reminder, you only have three minutes. We'll let you know when you have two minutes, one minute, and when your time has expired.

Please be aware that while the Commission affords the public an opportunity to comment, we will not directly respond to your comments.

Your comments will be made part of the record. However, they cannot be used to resolve disputed issues of fact in a contested case.
Our first and only speaker is Annika Kolasa.

MS. ANNIKA KOLASA: That's me.

CHAIRMAN SHEAHAN: Okay. Annika, come on up.

MS. ANNIKA KOLASA: Is now my opportunity to speak?

CHAIRMAN SHEAHAN: This is it.

MS. ANNIKA KOLASA: All right.

CHAIRMAN SHEAHAN: Have a seat right here. Make sure the microphone is on.

MS. ANNIKA KOLASA: Hello? Testing?

CHAIRMAN SHEAHAN: Yeah. We got you.

MS. ANNIKA KOLASA: All right. Do I just start then?

CHAIRMAN SHEAHAN: Go ahead.

MS. ANNIKA KOLASA: All right.

Good morning. It's clear from the number of members of the public here today to offer their support, how much this proceeding is occurring in their best interest.

As an Illinois electricity consumer, I, for one, do not support paying extra to subsidize
unprofitable nuclear plants.

The additional cost will create hardship for the many Illinois residents currently struggling to make ends meet. The Illinois Commerce Commission is here to evaluate whether this surcharge will, in fact, provide for a cost-effective procurement. The standard of review is a preponderance of the evidence.

The IPA has not presented evidence that, as a whole, nuclear energy is environmentally beneficial. Nuclear energy has negative environmental effects such as tritium leakage, spent fuel, and meltdown and terrorism risks, which do not appear to have been considered by the legislature, the IPA, the IEPA, in the HR 1146 Report, or any other analysis pertinent to this proceeding. Any decision to create more irradiated fuel should consider the environmental effects and costs of storing this hazardous material in state indefinitely.

A true analysis of the environmental benefits of nuclear energy should include a
discussion of all its potential effects on the environment, not only the positive ones. The suggested environmental benefit is narrow and arbitrary and benefits primarily the nuclear generator's own, primarily by one corporation.

Additionally, increased reliance on federally-regulated nuclear energy means less local control over health and safety issues related to our energy supply, as these are preempted by federal regulations.

Second, the IPA has not provided evidence that the ZES will be cost-effective. Rather, "cost-effective" is redefined to mean something other than its plain language: 1.675 percent or less of 2009's rate. Although the ZES could remain within these parameters, it would not be cost-effective compared to the alternative of retiring the nuclear plants.

Even the ICC's own study in the 1146 Report found that a concerted effort to develop energy efficiency and renewable resources could, in the long term, overcome hypothetical rate increases
caused by the cost of decommissioning.

And I call them "hypothetical" because the rate increases caused by decommissioning will not, in fact, be shouldered by rate payers. An analysis grounded in reality would thus have shown rate decreases both over the long term and for the sample year of 2019, even though Exelon is not being accurate in its reports to shareholders.

The proposed plan will also not create a procurement, which implies competitive bidding. Despite a recent Supreme Court ruling that demand response be treated the same as power, and the Future Energy Jobs Act's insistence that demand response be used when cost-effective, the IPA provides no pathway for the demand response resources to participate in this procurement process; although, they would provide the same alleged benefits as nuclear: no carbon dioxide or other designated emissions, enhances grid reliability, and it costs less than energy generation. ComEd has even done a study on demand response where they found an important subset of consumers were responsive.
Rather, this protectionist plan is intended to save Exelon's nuclear plants from retirement that they were facing due to fair competition from wind and natural gas. Although utilities are entitled to a return on their investment sufficient to attract capital, this is --

CHAIRMAN SHEAHAN: Thank you, Miss. If you could wrap it up, please.

MS. ANNIKA KOLASA: -- this is precisely because investors, and not the public, shoulder the risk for these investments. Supreme Court precedent enshrined in Market Street Railway and Duquesne Power and Light holds that utilities are not entitled to ask the public to reimburse them for values lost in the operation of economic forces.

CHAIRMAN SHEAHAN: Thank you. Thank you. That concludes our public comments.

We have no minutes to approve this morning, so we'll move into our regular electricity agenda.

Item E-1 concerns Ameren's Energy Efficiency Transition Rider.

Are there any objections to approving
the Resuspension Order?

   (No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item E-2 concerns a consumer complaint against ComEd.

Are there any objections to granting the Joint Motion to Dismiss?

   (No response.)

CHAIRMAN SHEAHAN: Hearing none, the Joint Motion is granted.

Item E-3 concerns Ameren's Energy Efficiency and Demand Response Plan. There are substantive edits to the Order that change the Order to comply with Staff's recommendations in the case.

I would move that we adopt the proposed edits.

Is there a second?

COMMISSIONER ROSALES: Second.

CHAIRMAN SHEAHAN: Is there any discussion?

   (No response.)

CHAIRMAN SHEAHAN: All those in favor of approving the proposed edits, say aye.
(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed, say nay.

COMMISSIONER del VALLE: Nay.

CHAIRMAN SHEAHAN: The ayes have it, and the edits are approved.

I would move that we approve the Order as edited.

Is there a second?

COMMISSIONER ROSALES: Second.

CHAIRMAN SHEAHAN: Any discussion?

Commissioner del Valle?

COMMISSIONER del VALLE: Thank you, Mr. Chairman.

I would like to first thank Administrative Law Judge Von Qualen for the admirable work managing this complicated docket in yet another accelerated schedule mandated by the General Assembly.

In order to be eligible for a reduction in goals, the law requires that Ameren show additional measures wouldn't be cost effective, or demonstrate by a preponderance of the evidence,
including evaluated historical performance, that the company cannot satisfy the statutory goals without exceeding the cost cap. The record is clear that Ameren did not meet its burden, provided project costs that are unreasonably high, and did not make a reasonable effort to produce a plan that could meet the statutory goals.

The Future Energy Jobs Act, after Ameren's insistence, already requires lower energy goals for the company, and now this order reduces those goals again. In so doing, the majority does not describe in detail the reasons for the changes, does not set an actual level for the new goals, nor does it provide an adequate path to meet the concerns raised in this Order satisfactorily.

In fact, rather than properly engage with Ameren's plan, the edited Order only does two things. While finding the statutory savings goals should be reduced to some unspecified level, the majority also actively reduces the funding and programming for low income customers and communities of color.
The ALJ's Proposed Order increased Ameren's spending on low and moderate income programming to over $20 million, which the company accepted in briefs. The edited Order reduces that total to $15 million.

The ALJ's Proposed Order increased the available funding for developing a diverse workforce and pool of diverse trade allies. The edited Order removes these dollars for communities of color and reallocates them to the existing business programs.

To be clear to everyone following this case, Ameren's assertions that a higher goal means low income programming will suffer, have been proven false. These edited order [sic] lowers the goals and lowers or removes funding for these programs.

I will be filing a dissent further explaining my reasoning, and I will be voting "No" on this order.

Thank you.

CHAIRMAN SHEAHAN: Thank you, Commissioner.

Any other discussion?

(No response.)
CHAIRMAN SHEAHAN: All those in favor of approving the Order as edited, say aye.

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed, say nay.

COMMISSIONER del VALLE: Nay.

CHAIRMAN SHEAHAN: The ayes are 4, the nays, 1, and the Order, as edited, is approved.

Item E-4 concerns ComEd's Energy Efficiency and Demand Response Plan and Update to its Energy Efficiency Formula Rate Costs.

Are there any objections to approving the Proposed Order?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item E-5 concerns IPA's Petition for Approval on the Zero Emission Standard Procurement Plan.

Are there any objections to approving the proposed order and the Plan as modified?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is
approved.

Moving on to our Gas agenda. Items G-1 through 3 concern orders to create Invested Capital Tax Adjustments riders for North Shore, Peoples, and Ameren.

Are there any objections to combining and approving these orders?

(No response.)

CHAIRMAN SHEAHAN: Hearing no objections, the Orders are approved.

Item G-4 concerns Nicor's Reconciliation of revenues collected under its coal tar riders.

Are there any objection to approving the proposed order approving the reconciliation?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item G-5 concerns a consumer complaint against Spark Energy.

Are there any objections to granting the Joint Motion to Dismiss?
CHAIRMAN SHEAHAN: Hearing none, the Joint Motion is granted.

Item G-6 concerns North Shore Gas and Peoples' Energy Efficiency Plans.

Are there any objections to the proposed order approving the plans?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item G-7 concerns Nicor Gas -- Gas's Energy Efficiency Plan.

Are there any objections to the proposed order approving the plan?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved. Moving on to our Water and Sewer agenda.

Item W-1 concerns Aqua Illinois' Proposed Rate Increase.

Are there any objections to approving the Resuspension Order?

(No response.)
CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Under Petitions for Rehearing, Item PR-1 concerns applications for rehearing regarding ComEd's tariff changes related to rate design.

Are there any objections to accepting the ALJ's recommendations?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the ALJ's recommendations are accepted.

Judge Kimbrel, do you have any other matters to bring before the Commission this morning?

JUDGE KIMBREL: No, Mr. Chairman.

CHAIRMAN SHEAHAN: Commissioners, do any of you have any other business you would like to bring before the Commission?

COMMISSIONER EDWARDS: No.

CHAIRMAN SHEAHAN: Hearing then -- hearing none, and without objection, then we're adjourned.

Thank you.

(Whereupon the above matter was adjourned.)