BEFORE THE

ILLAONLY COMMERCE COMMISSION
BENCH SESSION
(PUBLIC UTILITY)

Wednesday, January 14, 2015
Chicago, Illinois

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

PRESENT:

JOHN T. COLGAN, Commissioner
ANN MCCABE, Commissioner
SHERINA E. MAYE, Commissioner
MIGUEL DEL VALLE, Commissioner

SULLIVAN REPORTING COMPANY, by
PATRICIA WESLEY
CSR NO. 084-002170
COMMISSIONER COLGAN: Is everything ready in Chicago?

COMMISSIONER McCabe: Yes.

COMMISSIONER del Valle: Yes.

COMMISSIONER COLGAN: Pursuant to the provisions of the Open Meetings Act, I now convene the regularly scheduled Bench Session of the Illinois Commerce Commission. With us in Chicago are Commissioner McCabe, Commissioner del Valle and Commissioner Maye. I am Commissioner Colgan. We have a quorum.

Before moving into the agenda, according to Section 1700.10 of Title 2 of the Administrative Code, this is the time that 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 Commission meetings. According to the Chief Clerk's office, we have eight requests to speak at today's Bench Session, five of which have been granted. Each
speaker will have three minutes. As a reminder to the speakers, the Commissioners are not permitted to respond to any of today's speakers. Our speakers are Mr. Nicholas Johnson, Mr. William Hamblin, Ms. Kimberly Mims, Mr. Anthony Morgan and Mr. Curtis Hughes. Are those speakers present?

COMMISSIONER McCabe: They are.

COMMISSIONER Colgan: Okay. There's a microphone. Let's start with Mr. Nicholas Johnson.

PRESENTATION

BY

MR. JOHNSON:

Hello. Good morning. I am Nick Johnson, a resident of Rogers Park here in Chicago.

So Peoples Gas is here today asking for yet another rate increase, a rate increase worth around $107 million. This is on top of the 18 percent increase in profit they enjoyed last year while their company left tens of thousands without heat in one of the worse winters on record.

The ICC is a regulatory body and I must say a rather ineffectual one. The ICC is
charged with the task of protecting the citizens of
this state from predatory monopolies like Peoples
Gas and the very fact we are here is proof you
failed on that front.

A hundred and seven million dollars is
an astounding amount of money. If you grant this
rate increase, I don't know where the shareholders
of Peoples Gas will decide to put all this new found
cash, but I do know a few places that the money
won't end up.

It won't go to the small business
owners who need it once they get their new revised
gas bills. It won't go back to the schools that
apparently there's no money for, and it won't go to
repair a crumbling infrastructure because, let's be
honest, none of it's going to be taxed.

So I ask you as an organization which
is suppose to have the best interest of people in
the state at heart, what do you perceive the
benefits of this rate increase to be?

Are you hoping this money might
trickle down? Maybe the CEO of Peoples Gas will
decide to buy a new yacht and that will help the
city's oh-so-important luxury boat building industry
or maybe you are counting on the shareholders all
buying new luxury condos and that might stimulate
the housing market or maybe they'll all build new
mansions complete with heated swimming pools full of
cash and there will be construction jobs for a
couple of weeks. I fail to see the long-term
benefits of this plan for the people of Chicago.

In a ICC press release last April,
Chairman Doug Scott said that the increasing poverty
cuts to LIHEAP will cost families to resort to
unsafe and life-threatening measures in lieu of
utility service.

You failed to mention that a rate
increase you grant makes the rates more
unaffordable, and it's a good thing you are not in
charge of the state's fire departments. I'm sure
the fire fighters will be showing up with hoses full
of gasoline.

I'm willing to give you the benefit of
the doubt though. It's possible you simply weren't
aware of the real consequences of continuing to be a rubber stamp for this horrible criminal enterprise, perhaps the members of this Committee have never lost a child to the violence deprivation pawns (sic).

Perhaps you don't know anyone with a grandparent who died in a cold, dark house when their social security check no longer keeps up with the most basic costs of living. Maybe not one of your neighbors has been burned alive when a space heater caught fire and the flames spread too quickly for them to escape.

If you allow this robbery to continue unabated, you are condemning an untold number of people to an early and miserable death and that makes you accomplices not just for robbery but to outright murder.

I imagine you thought it was going to be your children who might be assaulted in the streets for their lunch money or your parents who were going to develop pneumonia because they couldn't afford to see a doctor, then you wouldn't
be giving any consideration to this profound greed.

We have been victims of profiteering far too long. If you go ahead with this rate increase, you are proving one of two things. You are either obscenely ignorant of the crime being perpetrated against us, and that makes you unqualified for these positions, or you are in on it. Either way it's unacceptable. Reject this rate increase for Peoples Gas. Thank you.

COMMISSIONER COLGAN: Thank you, Mr. Johnson.

Mr. Hamblin.

PRESENTATION

BY

MR. HAMBLIN:

Good morning, Commissioners.

COMMISSIONER McCabe: Good morning.

MR. HAMBLIN: I would like to start by calling your attention to the Public Utilities Act and the first article about the intent and purpose of the Act, that the General Assembly finds that the health, welfare and prosperity of all Illinois citizens require the provision of adequate,
efficient, reliable and environmentally safe at the least cost public utility services at prices which accurately affect the long-term cost of such services and which are equitable to all citizens.

As I understand the proposal, it is not an equitable proposal. It is essentially a regressive tax, because it applies equally to anyone and their residents, even if they are not using very much gas, and it makes no allowance for differences in communities. So I would urge you to not allow that kind of a charge to be put forward.

As you probably know, a lot of people right now are struggling and this will just increase the problems for those people who will essentially end up with them not being able to pay their bills at all, so that will be to the benefit of no one, neither the general public, the citizens concerned or even the utility.

So I would urge you to not allow this kind of a general fee to be imposed. Thank you very much.

COMMISSIONER COLGAN: Thank you, Mr. Hamblin.
Ms. Mims.

PRESENTATION

By

MS. MIMS:

Commissioners, good morning.

COMMISSIONER McCabe: Good morning.

COMMISSIONER Colgan: Good morning.

MS. MIMS: My name Kimberly Mims. I've been a Chicago resident for 12 years since I moved to the city from graduate school at the University of Chicago, and I'm currently working as an independent art administrator. I am also a ratepayer of Peoples Gas.

My concern, however, is not for me but for the tens of thousands of low-income families who cannot afford to pay for heating gas already and who will only suffer more devastation if you grant yet another rate increase to Peoples Gas.

In the last couple of days I've been helping a friend who's trying to get her heat turned back on. She was disconnected by Peoples Gas in June 2014 with a back bill she couldn't pay then and
she can't pay it now, because she's currently unemployed and living on a pension and that just can't keep up with the rising cost of living.

In the frigid cold temperatures that hit us in the first week of 2015, five radiators in her house burst. Why? Because she was too poor to pay the profiteering rates you have approved for Peoples Gas.

ICC, you are responsible for this situation. Peoples Gas has a monopoly on natural gas delivery in our area and it takes every opportunity to profiteer on this basic requirement for survival, no heat in the winter.

2013, you know, it increased its profits by 18 percent and it continues to pay out, "eye-popping dividend yields" as a reporter in Crain's Chicago Business put it. Yet, The Peoples Gas refuses to arrange a payment plan for this low-income person until she pays the entire back bill, plus a reconnection fee.

Yesterday a Peoples Gas representative explained to me that he couldn't help this woman
because their computer system automatically
determines a budget plan based not on her actual
income but rather on her average usage of gas over a
12-month period.

Now how is this a reasonable solution?
How can this person be expected to keep up with her
payments if the budget plan Peoples Gas proposes
takes no account of her actual income? You know,
she's going to end up back in the same situation in
a few months, and she's just one example of a cruel
and dysfunctional cycle that Peoples Gas perpetuates
with the backing of the Illinois Commerce
Commission.

I remind you, Commissioners, of what
you continue to ignore over and over again. The
Public Utilities Act of 2001 declares that, "It is
the policy of the state that public utilities shall
be regulated effectively. The goals and objectives
of such a regulation shall be to insure the rates
for utility service are affordable and, therefore,
preserve the availability of such services to all
citizens."
For more and more people, rising utility rates are unaffordable and, therefore, these basics of survival are unavailable.

Commissioners, you have abandoned your duty to the People of Illinois and it's time to change that right now. Lives depend on it. I demand that you, the ICC, reject this profiteering rate increase request for Peoples Gas.

I further demand that you direct Peoples Gas to reconnect service to all of those who have been disconnected because they were unable to pay their bills and work with each person to establish a realistic budget of a plan, a payment plan, immediately based on income.

I demand that you stop the shutoff for good and reconnect service without charge for those who cannot afford to pay, but, like all human beings, need heat to survive. Thank you.

COMMISSIONER COLGAN: Thank you, Ms. Mims.

Mr. Anthony Morgan.
PRESENTATION

BY

MR. MORGAN:

Good morning. My name is Anthony Morgan. I'm a Chicagoan born and bred and currently a student at U of I.

I'm here today to speak on behalf of the Cook County Workers' Benefit Council, a delegate body that represents the needs and interests of service workers and other low paid workers in Cook County.

The Illinois General Assembly's Public Utilities Act of 2001 states that the ICC is the state agency to regulate utilities and that the goals and objectives of such regulations shall be to insure the rates of utility services are affordable and, therefore, preserve the availability of such services to all citizens.

We demand that you, the ICC, do your duty and deny any rate increase to Peoples Gas and that you further stop the shutoffs and take a
ways-and-means approach to making utilities affordable and available to all per your mandate. I have in my hands over 1000 signatures of people who back our demands. Heating gas is not affordable and available to all in our state right now. By your own numbers, as of December 2013, over 80,000 families in the state have been disconnected from heating gas service in the previous year alone.

Every fall Peoples Gas sends fleets of trucks through low-income neighborhoods to disconnect households who cannot keep up with the increasing rates even as many of them work longer hours for less pay.

Members of our council have heard reports of families being disconnected for back bills of less than a hundred dollars. The rate increases you grant Peoples Gas hit low-income working families the hardest. We are forced to choose between food and heat, short our landlords on rent and cut back on medications.

Families who have their gas service
shut off suffer through subfreezing temperatures and
get sick or they turn to other means of staying
warm.

According to an article in the Chicago
Tribune just last week, over 30 people died from the
cold last winter and 10 people died already this
winter season because of the cold.

In the first week of January last year
one of our members, who spoke at this body in 2012
and demanded then that you stop the shutoffs, had to
run out of a burning building on the coldest day of
the year and lost everything because her downstairs
neighbor knocked over a space heater he was using to
stay warm because he could not afford gas.

Each rate hike means we all have less
money to spend in our communities and local
businesses have fewer customers. The Chicago
economy can ill afford another $107 million taken
out of workers' pockets.

This rate increase request is clearly
a profit grab. In 2013 after you, the ICC, granted
Peoples Gas a $56 million rate increase in June, the
company increased profits by 18 percent.

The parent company of Peoples Gas, Integrys, increased profits by 24.7 percent, so over $354 million. They don't need more profits.

Low-income workers need safe, reliable heat we can afford in our homes.

ICC, we call on you to fulfill the mandate of the Public Utilities Act of 2001. Deny any rate increase for Peoples Gas, shut the shutoffs, roll back the rates, reconnect service to all. Thank you.

Questions?

(No response.)

Who do I give these petitions to?

(Whereupon, Commissioner Maye accepted the petitions.)

COMMISSIONER COLGAN: Mr. Curtis Hughes.

PRESENTATION

BY

MR. HUGHES:

Good morning. My name is Curtis
Hughes. I live in Englewood. My wife and I -- my wife and I were shut off from gas before and we wouldn't want to see this happen to other people.

At the time we were shutoff, I was working at O'Hare Airport and I was being paid $5 an hour and my pay check was 200 per week. My rent was 500 at the time, then there was my gas -- my gas bill, plus I had three children at the time.

Today my wife and I are making less than 1500 a month and my 14 and my 16-year old had to eat and my food stamps were cut from 600 to 200.

My kids need school supplies -- I mean supplies for school. How can I pay for this gas bill? ICC, you said you make gas for everyone. Do your job. Thank you.

COMMISSIONER COLGAN: Thank you, Mr. Hughes.

Moving on to the Public Utility agenda, we'll begin with the approval of Minutes from the December 17th Bench Session. I understand amendments have been forwarded.

Is there a motion to approve the amendments?
COMMISSIONER MAYE: So moved.

COMMISSIONER COLGAN: Is there a second?

COMMISSIONER McCabe: Seconded.

COMMISSIONER COLGAN: It's been moved and seconded.

All in favor, say aye?

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 4 to nothing and the amendments to the December 17th Bench Session are approved.

Is there now a motion to approve the amendments as amended?

COMMISSIONER McCabe: So moved.

COMMISSIONER COLGAN: Is there a second?

COMMISSIONER del VALLE: Seconded.

COMMISSIONER COLGAN: It's been moved and seconded.

All in favor, say aye.

(Chorus of ayes.)

Any opposed?
The vote is 4 to nothing and the December 17th Bench Session Minutes, as amended, are approved.

Turning now to the electric portion of today's agenda, Item E-1 is our annual reconciliation of revenues collected under Ameren, ComEd, Nicor, North Shore and Peoples Gas's coal tar riders with prudent costs associated with coal tar cleanup expenditures. Staff recommends the entry of an Order commencing the reconciliation proceedings.

Is there any discussion?

(No response.)

Is there a motion to enter the Order?

COMMISSIONER del VALLE: So moved.

COMMISSIONER COLGAN: Is there a second?

COMMISSIONER McCabe: Seconded.

COMMISSIONER COLGAN: It has been moved and seconded.

All in favor, say aye.

(Chorus of ayes.)

Any opposed?
The vote is 4 to nothing and the Order is entered.

We will use this 4 to nothing vote for the remainder of today's Public Utility agenda, unless otherwise noted.

Item E-2 is Docket No. 14-0358. This is Ameren's petition for approval of the reconciliation of revenues collected under its Rider TS - Transmission Service. ALJ Von Qualen recommends entry of an Order approving the reconciliation.

Is there any discussion?

(No response.)

Are there any objections?

(No response.)

Hearing none, the Order is entered.

Item E-3 is Docket No. 13-0657. This is ComEd's application for a Certificate of Public Convenience and Necessity, pursuant to Section 8-406.1 of the Public Utilities Act, and an Order pursuant to Section 8-503 of the Public Utilities
Act, to Construct, Operate, and Maintain a new 345 kilovolt transmission line in Ogle, DeKalb, Kane and DuPage Counties. Ms. Ellen Roberts Vogel has filed a Motion for the Commission to Reconsider and Reverse Granting Rehearing to the Muirhead Group which ALJs Hilliard and Jorgenson recommend we deny.

Is there any discussion?
(No response.)
Are there any objections?
(No response.)
Hearing none, the Motion is denied.

Item E-4 is Docket No. 14-0715. This is Dominion Retail's petition to cancel its Certificate of Service Authority to Operate as an ARES in Illinois pursuant to Section 16-115 of the Public Utilities Act. ALJ Riley recommends entry of an Order granting the requested relief.

Is there any discussion?
(No response.)
Are there any objections?
(No response.)
Hearing none, the Order is entered.
Item E-5 is Docket No. 14-0723. This is Source Power's Application for a Certificate of Authority under Section 16-115 of the Public Utilities Act. The applicant has filed a Motion to Withdraw in anticipation of a change in its corporate structure as well as a request for confidential treatment of previously submitted exhibits which contain information related to the applicant's credit supplier's guaranty.

ALJ Von Qualen recommends entry of an Order granting the confidential treatment and that we grant the Motion to Withdraw.

Is there any discussion?

(No response.)

Are there any objections?

(No response.)

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

Item E-6 is Docket No. 14-0192. This is JABN Construction's Application for Certification to Install, Maintain or Repair Electric Vehicle Charging Station Facilities under Section 16-128A of
the Public Utilities Act. It appears the applicant has fallen ill and that the Commission has been unable to contact him. ALJ Benn recommends entry of an Order withdrawing the application without prejudice.

Is there any discussion?

(No response.)

Are there any objections?

(No response.)

Hearing none, the Order is entered.

Items E-7 through E-10 can be taken together. These items are Applications for Certification to Install, Maintain or Repair Electric Vehicle Charging Station Facilities under Section 16-128A of the Public Utilities Act. In each case ALJ Benn recommends entry of an Order granting the requested certificate.

Is there any discussion?

(No response.)

Are there any objections?

(No response.)

Hearing none, the Orders are entered.
Item E-11 is Docket No. 14-0651. This is the IPA's Petition for Approval of the IPA's Supplemental Procurement Plan pursuant to Section 1-56(i) of the Illinois Power Agency Act. This item will be held for disposition in a future Commission proceeding.

Item E-12 is Docket No. 14-0451. This is Karen and John Covington's complaint against ComEd as to billing/charges. ALJ Riley recommends entry of an Order dismissing the complaint.

Is there any discussion?

(No response.)

Are there any objections?

(No response.)

Hearing none, the Order is entered.

Turning now to the Natural Gas Agenda,

Item G-1 is Docket No. 12-0601. This is our reconciliation of revenues collected under Nicor's Rider 30 with the actual costs associated with energy efficiency and on-bill financing programs. The AG has filed a Petition for Interlocutory Review of the ALJ's grant of Nicor's Motion to Strike a
portion of the AG's initial brief.

Is there any discussion?

(No response.)

This item will be held for disposition at a future Commission proceeding.

Item G-2 is Docket Nos. 14-0224 and 14-0225 (cons.) This is North Shore Gas Company and The Peoples Gas, Light and Coke Company's proposed general increase in gas rates. ALJs Hilliard and Kimbrel recommend entry of an Order approving the increase in rates.

In addition, the AG has filed a motion for oral argument which ALJs Hilliard and Kimbrel recommend we deny.

Starting with the request for oral argument, is there any discussion?

(No response.)

Any objections to denying oral argument?

(No response.)

Hearing none, the AG's motion for oral argument is denied.
The remainder of this item will be
held for disposition at a future Commission
proceeding.

On to the Telecommunications agenda,
Item T-1 is Docket No. 09-0268. This is Frontier
Communications, Verizon Communications and New
Communications of the Carolina's Joint Application
for the approval of a Reorganization pursuant to
Section 7-204 of the Public Utilities Act; the
Issuance of Certificates of Exchange Service
Authority pursuant to Section 13-405 to New
Communications of the Carolinas, Incorporated; the
Discontinuance of Service for Verizon South,
Incorporated, pursuant to Section 13-406; the
Issuance of an Order Approving Designation of New
Communications of the Carolinas, Incorporated, as an
Eligible Telecommunications Carrier Covering the
Service Area Consisting of the Exchanges to be
Acquired from Verizon South, Incorporated, upon the
Closing of the Proposed Transaction and the Granting
of All Other Necessary and Appropriate Relief.

Frontier has filed a petition to
reopen the proceeding to explore whether conditions 
imposed in the approved reorganization have been 
satisfied or otherwise served their purpose. ALJ 
Yoder recommends that we grant the petition to 
reopen to consider the conditions at issue.

Is there any discussion?

(No response.)

Are there any objections?

(No response.)

Hearing none, the petition is granted.

Item T-2 is Docket No. 12-0375. This is Millennium 2000, Incorporated's, Application for 
Designation as a Wireless Eligible 
Telecommunications Carrier for Purposes of Receiving 
Federal Universal Service Support pursuant to 
Section 214(e)(2) of the Telecommunications Act of 
1996. ALJ Riley recommends entry of an Order 
granting the application.

I believe that Commissioner del Valle 
and Commissioner McCabe have some joint edits to 
propose. Commissioners?

COMMISSIONER del VALLE: Thank you, Mr. Chairman.
I'm proposing joint edits prepared from Commissioner McCabe in addition to several non-substantive edits. The substantive edit comments are at the bottom of Page 33. These edits adopt Staff's recommendation and reverse the conclusion of the proposed Order denying Eligible Telecommunications Carrier Designation.

The edits agree with Staff that the FCC Lifeline Reform Order recommended that state designating authority engage in a more thorough vetting process of Lifeline Designation. The edits therefore adopt all of Staff's recommendations and engage in the analysis of addressing eight issues.

After review of the record, the edits find that the applicant failed to satisfy six of the eight required demonstrations and denies the ETC Designation. Accordingly, I move the adoption of these edits.

COMMISSIONER McCabe: Seconded.

COMMISSIONER COLGAN: Is there any discussion on the edits?

(No response.)
There is a motion and second to adopt the edits. All in favor of the edits, say aye.

(Chorus of ayes.)

Opposed?

(No response.)

The vote is 4 to nothing and the edits are adopted.

Is there now a motion to enter the Order as amended?

COMMISSIONER MAYE: So moved.

COMMISSIONER COLGAN: Is there a second?

COMMISSIONER McCabe: Seconded.

COMMISSIONER COLGAN: It's been moved and seconded.

All in favor, say aye.

(Chorus of ayes.)

Opposed?

(No response.)

The vote is 4 to nothing and the Order, as amended, is entered.

Item T-3 is Docket No. 14-0682. This
is Senior Tech LLC's Application for a Certificate of Wireless Authority to Operate as a Reseller of Telecommunications Services throughout the State of Illinois. ALJ Riley 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 T-4 is Docket No. 14-0432. This is American Broadband and Telecommunications Company's Petition for a Partial Waiver of its Agreed Joint Stipulation as a Condition of its ETC Designation. ALJ Riley recommends entry of an Order denying the request for partial waiver.

I believe Commissioner McCabe's office had some suggested edits to this Order.

Commissioner McCabe.

COMMISSIONER McCabe: Thank you. These edits (assisted by Commissioner del Valle's office) do not change the conclusion of the Order, which denies the
petition.

In both the American Broadband and Millennium dockets, we remove confidential information from the Commission's Orders. The Commission should explain its decisions clearly to the public even when those decisions rely on confidential information. (Confidential information does not provide any additional authority to a Commission decision when it cannot be disclosed to the public.) In the Millennium docket, Commission Staff recommended that the Applicant maintain a minimum threshold of 20 percent non-Lifeline customers. The same requirement was agreed to as part of a joint stipulation when American Broadband was designated as an ETC by the ICC, and is the subject of its current petition.

The stated purpose of this minimum threshold is to assure the carrier's financial and technical capability to provide Lifeline service and to provide some assurance that its business plan does not entirely rely upon the Federal Lifeline Fund. This minimum threshold is the result of
recent reforms to the Federal Communication
Commission's Lifeline rules and practices.

While I support ICC staff's recommendations in the Millennium and American Broadband dockets, I am concerned that these new requirements are not applied equally to the other ETCs previously designated by the Commission and that these previously designated ETCs are now operating with a competitive advantage over new applicants.

I'll note that one state, Texas, has turned the ETC program back over to the FCC which may be a future option for us. That aside, I move the edits.

COMMISSIONER COLGAN: There is a motion to adopt the edits. Is there any discussion?

(No response.)

Is there a second.

COMMISSIONER del VALLE: Seconded.

COMMISSIONER COLGAN: It's been moved and seconded.

All in favor, say aye.
(Chorus of ayes.)

Opposed?

(No response.)

The vote is 4 to nothing and the edits are adopted.

Is there now a motion to enter the
Order as amended?

COMMISSIONER del VALLE: So moved.

COMMISSIONER COLGAN: Is there a second?

COMMISSIONER McCabe: Seconded.

COMMISSIONER COLGAN: It's been moved and
seconded.

All in favor, say aye.

(Chorus of ayes.)

Any opposed?

(No response.)

The vote is 4 to nothing and the
Order, as amended, is entered.

Items T-5 and T-6 can be taken
together. These items are petitions for
confidential/proprietary treatment of petitioners'
annual reports for not less than two years. In both
cases ALJ Albers recommends entry of an Order granting the requested relief.

Is there any discussion?

(No response.)

Are there any objections?

(No response.)

Hearing none, the Orders are entered.

Items T-7 through T-10 can be taken together.

These items are Joint Petitions for Approval of Amendments to the Terms of the Interconnection Agreements pursuant to 47 U.S.C. Section 252. In each case ALJ Riley recommends entry of an Order approving the amendment to the agreement.

Is there any discussion?

(No response.)

Are there any objections?

(No response.)

Hearing none, the Orders are entered.

We have one miscellaneous item on the agenda today. Item M-1 is Docket No. 11-0711 which
is our rulemaking to develop and adopt rules
concerning rate case expense. ALJ Sainsot
recommends entry of a Second Notice Order.

I believe Commissioner McCabe's office
had some suggested edits.

Commissioner McCabe.

COMMISSIONER McCabe: The proposed edits to the
PEPO and Rule make clear that affiliate expenses may
not be recovered outside of the Section 9-229
procedure. This is consistent with our first notice
Order which found that 9-229 and the Madigan
decision do not distinguish where these expenditures
come from (i.e., whether by an affiliate or external
firm). While this may add to accounting work, a
few points:

1. This rule covers only attorneys,
technical experts, and their support staff. One
company brief mentioned internal auditors, tax
accountants, treasurers, and controllers. It is my
opinion that these types of expenses would not fit
the definition in the rule and thus can be recovered
in the normal course.
2. Section 9-229 is a relatively new law, and we are finalizing the rules supporting it. New laws can create new burdens both for the utility and the Commission which challenge the business as usual approach. This one is no exception.

3. This law places the ultimate burden of review upon the Commission. It states that the "Commission shall specifically assess. . ." these expenses and the Commission shall "expressly address" it in the final Order. To do so, we need this expense information up front rather than in administrative and general expenses.

These edits also incorporate changes from Commissioner del Valle's office to refine definition of a utility affiliate counsel.

I thank all the parties involved and ALJ Sainsot for their work, both in the workshops and throughout the docket, on this tough issue. I thank Commissioner Maye for her assistance on this rulemaking.

With that, I move the edits be adopted.
COMMISSIONER COLGAN: Is there any discussion on the edits?

(No response.)

There's been a motion to adopt the edits. Is there a second?

COMMISSIONER MAYE: Seconded.

COMMISSIONER COLGAN: It's been moved and seconded.

All in favor, say aye.

(Chorus of ayes.)

Opposed?

(No response.)

The vote is 4 to nothing and the edits are adopted.

Is there a motion to enter the Order as amended?

COMMISSIONER McCABE: So moved.

COMMISSIONER COLGAN: Is there a second?

COMMISSIONER MAYE: Seconded.

COMMISSIONER COLGAN: It's been moved and seconded.

All in favor, say aye.
(Chorus of ayes.)

Opposed?

The vote is 4 to nothing and the Order, as amended, is entered.

On to Petitions for Rehearing,

Item PR-1 is Docket No. 12-0560. This is Rock Island Clean Lines's Petition for an Order for a Certificate of Public Convenience and Necessity pursuant to Section 8-406 of the Public Utilities Act as a Transmission Public Utility and to Construct, Operate and Maintain an Electric Transmission Line and Authorizing and Directing Rock Island pursuant to Section 8-503 of the Public Utilities Act to Construct an Electric Transmission Line. The Illinois Landowners Alliance, the Illinois Agricultural Association and ComEd have all filed petitions for rehearing, which ALJ Jones recommends we deny.

Is there any discussion on the petitions?

(No response.)

Is there a motion to deny all three
Petitions for Rehearing?

COMMISSIONER MAYE: So moved.

COMMISSIONER COLGAN: Is there a second?

COMMISSIONER McCabe: Seconded.

COMMISSIONER COLGAN: It's been moved and seconded.

All in favor, say aye.

(No response.)

Opposed?

(No response.)

The vote is 4 to nothing and all three Petitions for Rehearing are denied.

Item PR-2 is Docket 14-0316. This is ComEd's Petition to Make Housekeeping Revisions and a Compliance Change to its Filed Rate Formula.

ComEd has filed a Petition for Rehearing which ALJs Haynes and Teague-Kingsley recommend we deny.

Is there any discussion?

(No response.)

Are there any objections?

(No response.)

Hearing none, the petitions for
rehearing are denied.

    Judge Dolan, are there any other

matters to come before the Commission today?

    JUDGE DOLAN: No, Commissioner.

    COMMISSIONER COLGAN: Thank you sir.

    Hearing none, this meeting stands

adjourned.

    (Whereupon, the above matter

was adjourned.)