BEFORE THE
ILLINOIS COMMERCE COMMISSION

BENCH SESSION
(PUBLIC UTILITY)

Wednesday, October 23, 2013
Springfield, Illinois

Met, pursuant to notice, at 10:30 A.M.,
in the Audiovisual Conference Room, Second Floor,
Leland Building, 527 East Capitol Avenue,
Springfield, Illinois.

PRESENT:

MR. DOUGLAS P. SCOTT, Chairman
(Via videoconference)

MS. ANN MCCABE, Commissioner
(Via videoconference)

MR. JOHN T. COLGAN, Commissioner

MS. SHERINA E. MAYE, Acting Commissioner
(Via videoconference)

MR. MIGUEL DEL VALLE, Acting Commissioner

MIDWEST LITIGATION SERVICES, by
Robin A. Enstrom, RPR, CSR
CSR No. 084-002046
PROCEEDINGS

CHAIRMAN SCOTT: Pursuant to the provisions of the Open Meetings Act, I now convene a regularly scheduled Bench Session of the Illinois Commerce Commission. With us in Springfield are Commissioner Colgan and Acting Commissioner del Valle. With me in Chicago are Commissioner McCabe and Acting Commissioner Maye. I'm Chairman Scott. 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 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 no requests to speak at today's Bench Session.

We'll now move to the Public Utility agenda. We'll begin with the approval of several sets of minutes. First, our August 6th Regular Open Meeting Minutes. I understand amendments have been forwarded.

Is there a motion to amend the
minutes?

ACTING COMMISSIONER MAYE: So moved.

CHAIRMAN SCOTT: Moved by Commissioner Maye.

COMMISSIONER MCCABE: Second.

CHAIRMAN SCOTT: Second by Commissioner McCabe.

All in favor of the amendments say aye.

(Ayes heard.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: Vote is 5-0. The amendments are adopted.

Is there now a motion to approve the August 6th Regular Open Meeting Minutes as amended?

COMMISSIONER MCCABE: So moved.

CHAIRMAN SCOTT: Moved by Commissioner McCabe.

Second?

ACTING COMMISSIONER MAYE: Second.

CHAIRMAN SCOTT: Second by Commissioner Maye.
All in favor say aye.

(Ayes heard.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: The ayes have it 5-0, and the August 6th Regular Open Meeting Minutes as amended are adopted.

September 4th Regular Opening Meeting Minutes are before you, and amendments have been forwarded.

Is there a motion to amend those minutes?

ACTING COMMISSIONER MAYE: So moved.

CHAIRMAN SCOTT: Moved by Commissioner Maye.

Second?

ACTING COMMISSIONER DEL VALLE: Second.

CHAIRMAN SCOTT: By Commissioner del Valle.

All in favor of the amendments say aye.

(Ayes heard.)

CHAIRMAN SCOTT: Any opposed?
(No response.)

CHAIRMAN SCOTT: Vote is 5-0, and the amendments are adopted.

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

COMMISSIONER COLGAN: So moved.

CHAIRMAN SCOTT: Moved by Commissioner Colgan.

Second?

COMMISSIONER MCCABE: Second.

CHAIRMAN SCOTT: By Commissioner McCabe.

All in favor say aye.

(Ayes heard.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: Vote is 5-0, and the September 4th Regular Open Meeting Minutes as amended are adopted.

Finally, the September 18th Bench Session. Amendments have been forwarded.

Is there a motion to amend those minutes?

ACTING COMMISSIONER MAYE: So moved.
CHAIRMAN SCOTT: Moved by Commissioner Maye.

Second?

COMMISSIONER MCCABE: Second.

CHAIRMAN SCOTT: Second by Commissioner McCabe.

All in favor of the amendments vote aye.

(Ayes heard.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: Vote is 5-0, and the amendments are adopted.

Is there now a motion to approve the September 18th Bench Session Minutes as amended?

COMMISSIONER COLGAN: So moved.

CHAIRMAN SCOTT: Moved by Commissioner Colgan.

Second?

ACTING COMMISSIONER DEL VALLE: Second.

CHAIRMAN SCOTT: Second by Commissioner del Valle.

All in favor say aye.
(Ayes heard.)
CHAIRMAN SCOTT: Any opposed?
(No response.)
CHAIRMAN SCOTT: The vote is 5-0, and
the September 18th Bench Session Minutes as
amended are approved.

Turning now to the Electric portion
of today's agenda, Item E-1 concerns proposed
emergency rules for the certification of
installers, maintainers, and repairers of
electric vehicle charging stations. This item
will be held for disposition at a future
Commission proceeding.

Item E-2 is our investigation into
customer refunds for payments made under
invalidated ComEd riders.

Is there any discussion?
(No response.)
CHAIRMAN SCOTT: Is there a motion to
enter the Order commencing the investigation?
COMMISSIONER MCCABE: So moved.
CHAIRMAN SCOTT: Moved by
Commissioner McCabe.
Is there a second?
COMMISSIONER COLGAN: Second.

CHAIRMAN SCOTT: Second by Commissioner Colgan.

All in favor say aye.

(Ayes heard.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: Vote is 5-0, and the Order is entered.

We will use this 5-0 vote for the remainder of today's Public Utility agenda unless otherwise noted.

Item E-3 is ERM No. 13-057. This item concerns ComEd's filing to revise its Rider GAP, Governmental Aggregation Protocols, to include townships as a "Government Authority." Staff recommends that we approve the revision by not suspending the filing.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the filing is not suspended.
Item E-4 is ERM No. 13-059. This item concerns Ameren's filing to amend Rider HSS, Hourly Supply Service, and Rider PER, Purchased Electric Recovery, to accommodate changes to accounting factors. Staff recommends that we approve the amendment by not suspending the filing.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the filing is not suspended.

Item E-5 is Docket No. 12-0456. This is our rulemaking proceeding to develop and adopt rules concerning municipal aggregation. This item will be held for disposition at a future Commission proceeding.

Item E-6 is Docket No. 13-0079. This is Mt. Carmel's proposed general rate increase for gas service and an electric rate design revision. This item will also be held for disposition at a future Commission proceeding.

Items E-7 through E-10 can be taken
together. These items are applications for
licensure as an agent, broker, and consultant
under Section 16-115C of the Public Utilities
Act. In each case ALJ Kimbrel recommends entry
of an Order granting the requested certificate.
Is there any discussion?
(No response.)
CHAIRMAN SCOTT: Are there any
objections?
(No response.)
CHAIRMAN SCOTT: Hearing none, the
Orders are entered.
Item E-11 is Docket No. 13-0338.
This is Ameren Energy Marketing Company doing
business as Homefield Energy's petition for
confidential and/or proprietary treatment of
certain information contained in its 2013 Annual
Recertification Report. ALJ Teague-Kingsley
recommends entry of an Order granting the
requested relief.
Is there any discussion?
(No response.)
CHAIRMAN SCOTT: Are there any
objections?
(No response.)

CHAIRMAN SCOTT: Hearing none, the
Order is entered.

Item E-12 is Docket No. 13-0516.
This is Ameren's petition for authorization to
utilize eminent domain power pursuant to Section
8-509 of the Public Utilities Act. ALJ Von
Qualen recommends entry of an Order granting the
requested relief.

Is there any discussion?
(No response.)

CHAIRMAN SCOTT: Are there any
objections?
(No response.)

CHAIRMAN SCOTT: Hearing none, the
Order is entered.

Items E-13 through E-15 can be taken
together. These items are Joint Petitions for
Approval of a Commercial Customer Release. In
each case the ALJ recommends entry of an Order
granting the Joint Petition.

Is there any discussion?
(No response.)

CHAIRMAN SCOTT: Are there any
objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the

Orders are entered.

Turning now to Natural Gas, Item G-1

is GRM No. 13-132. This is Liberty Utilities' filing to facilitate a name change. Staff recommends that we approve the name change by not suspending the filing.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Are there any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the filing is not suspended.

Item G-2 is GRM No. 13-098 and 13-113. This is Ameren's filings to revise processes for their non-residential gas transportation services. Staff recommends that we approve the revisions by not suspending the filings.

Is there any discussion?

(No response.)
CHAIRMAN SCOTT: Are there any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the filings are not suspended.

Item G-3 is Docket Nos. 13-0220 and 13-0221. This item concerns North Shore Gas Company and People's Gas, Light, and Coke Company's petitions to initiate an annual reconciliation proceeding to determine the accuracy of the statement each utility submitted pursuant to Rider VBA of its schedule of rates for gas service. ALJ Jorgenson recommends entry of an Order approving the reconciliations.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Are there any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is entered.

Item G-4 is Docket No. 13-0340. This is Enable Illinois Intrastate Transmission's application for a certificate in good standing as
a common carrier by pipeline and Order for temporary authority. The Commission granted the Company's request in an Interim Order on June 18, 2013. ALJ Yoder recommends entry of a Final Order granting the requested relief.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Are there any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is entered.

Item G-5 is Docket No. 13-0458. This is our rulemaking to establish rules in accordance with Public Act 98-57, which became effective on July 5, 2013, and which concern tariffs that allow natural gas utilities of a certain size to recover the costs of infrastructure improvements without seeking a general rate increase. ALJ Dolan recommends entry of an Order authorizing the second notice period and recommends that we submit the second notice of the proposed amendment to JCAR.

Is there any discussion?
(No response.)

CHAIRMAN SCOTT: Are there any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is entered.

Item G-6 is Docket No. 13-0500. This is Nicor's petition under Section 5-104(e) of the Public Utilities Act for authority to revise depreciation rates applicable to depreciable gas plant. ALJ Baker recommends entry of an Order granting the petition.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Are there any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is entered.

On to Telecommunications, Items T-1 through T-5 can be taken together. These items are rulemaking proceedings to either repeal or amend Code Parts 720, 730, 732, 745, and 705 of our Administrative Rules. In each case Staff
recommends entry of an Order initiating the rulemaking proceeding and authorizing the first notice period.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Are there any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Orders are entered.

Items T-6 and T-7 can be taken together. These are applications for certificates of prepaid calling service provider authority in Illinois pursuant to Section 13-404.1 of the Public Utilities Act. In both cases ALJ Riley recommends entry of an Order granting the requested certificate.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Are there any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Orders are entered.
Items T-8 and T-9 can be taken together. These items are joint petitions for the approval of or amendment to interconnection agreements. In both cases ALJ Baker recommends entry of an Order approving the agreement.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Orders are entered.

On to Water and Sewer, Item W-1 is Docket No. 13-0308. This is Aqua Illinois’ Petition for a Certificate of Public Convenience and Necessity to operate a wastewater collection and treatment system, approval of an Asset Purchase Agreement with the Village of Sun River Terrace, and for the issuance of an Order approving rates, accounting entries, and depreciation. ALJ Jorgenson recommends entry of an Order granting the requested relief.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?
(No response.)

CHAIRMAN SCOTT: Hearing none, the
Order is entered.
We have two items of other business
on today's agenda.
The first item concerns Liberty
I believe we have Liberty Midstates' president,
David Swain, available to update us on this
topic.
Mr. Swain, would you like to come
forward, please.
MR. SWAIN: Good morning.
CHAIRMAN SCOTT: Good morning.
MR. SWAIN: We're handing out here in
the room some handouts that I'll be walking
through, and thank you for the opportunity to --
allowing us to provide an update today as
promised in the semiannual compliance report and
also in accordance with the original stip
agreement. My comments today are primarily
intended to answer those concerns that were a
part of the original stip agreement; and
subsequently, after the face-to-face meeting
today, we will follow up with the required
e-filing to provide any other details that are
not brought out today.

On the first page, all Liberty
systems are fully implemented, and those include
the financial systems, the customer care, and
finally the compliance and work order system.
Those are all fully implemented. The service --
the continuing service agreement that was
originally in place with Atmos -- all of those
have been completed, and presently there are no
continuing service agreements in place with Atmos
Energy. So we're fully functional on our own
systems at this point.

As promised and in the original
meetings, that we plan to open our offices back
up and to take payments and allow local walk-in
traffic into the local operations -- we have done
that. We also have instituted our own answering
system that ensures that all of the calls are
actually answered within the Liberty Midstates
region, and that is done, and we are maintaining
those stats within the pre-cutover levels.

Throughout the integration for the
last 14 months, we have received only seven
customer complaints, and each of those have been
addressed, and I don't believe that now there are
any of those that are outstanding.

On the pipeline line --

CHAIRMAN SCOTT: Can you give -- I'm

sorry, Mr. Swain. Sorry. Can you give us,

maybe, a little flavor of what the complaints

were? What the nature of them were? Not

specifically but just in general.

MR. SWAIN: Yeah, I certainly can.

Thank you.

There were three or four of those

seven that dealt with some billing issues that

were a result of the conversion process where we

had a naming convention or a customer account --

something like that was wrong and caused some

issues with the actual bills. So we had to

respond and take care of those customer issues.

There were two that dealt with what

we call our farm-type customers that are

associated with the Virden, Illinois, operation.

Some of you may know that we serve approximately

4- to 500 farm-type customers that are actually
tied onto the transmission line there instead of
our own pipeline, and they had a shutdown. And
this is not unusual. From time to time they have
to do maintenance, and originally those customers
were informed that that was going to be the case.
That was many years ago. And when we have one of
those shutdowns now, we usually have some
customers that are unhappy because they're out of
service until that pipeline is put back in
service. And so we had to respond to those.
And, again, it's not unusual. Each time they
have a shutdown, seems like we will have a couple
people that didn't remember that, and they're not
happy because they don't have hot water. So we
had to respond to those.

And the other one that I recall --
it's a little bit different. We had one
individual that didn't agree with the amount that
was on his bill. So he decided he would pay the
amount that he thought that was -- that was due
and contacted several people in regard to that.
But we have responded, and I think that we've
reached agreement with the Staff in the
appropriate way to handle that, and I think
that's been resolved.

CHAIRMAN SCOTT: Okay. Thank you.

COMMISSIONER COLGAN: You say you have 4- or 500 customers that -- that they're tapped into the transmission line rather than the distribution system.

MR. SWAIN: That's correct.

COMMISSIONER COLGAN: Yeah. How long -- when the pipeline shuts down, how long does that usually take to --

MR. SWAIN: It depends on what work that they're actually doing. It could be, you know, as much as a couple of days. We've had them to have been very short. We've also had them that have been a couple of weeks depending on what kind of work they have to do.

Also happy to report that at this date we've had successful safety audits in all of the Illinois locations. I think that certainly shows that we've continued to do all of the compliance, all of those things that are required under the federal code and by the Illinois statutes. We continue to meet all the compliance filing requirements as necessary.
The next page, on page 4 -- we put this page in here because there were several points in the stip agreement that addressed making sure that, because of the transition from Atmos to Liberty, that the customers -- that the customer cost was not impacted. And what you see here is the actual comparison of the '13 budget, and that '13 budget was based on a five-year running average. So they were -- because of that running average, they were very much in line with the previous four, and you can see here that we're tracking well on that '13 budget. So those costs have not -- those costs have --

CHAIRMAN SCOTT: Hang on just a second. We'll see what they're telling us this time.

COMMISSIONER COLGAN: They just discovered you didn't evacuate the building.

(Fire drill announcement.)

CHAIRMAN SCOTT: Okay. We're all clear. Go ahead.

MR. SWAIN: All right. Thank you.

So that budget that was, again, developed by looking at a five-year average,
we're tracking nicely and expect to come in right on budget in 2013.

I've also put there -- you can see where our capital spending is. You can see on '13 we're a little bit behind on that spending, but we expect to be right on the 2.9 in capital budget. We actually have increased capital spending a bit in 2013.

The last one there deals with another point in the stip that deals with the cost of credit, and you can see a part of a press release that was put out by Algonquin and Liberty that shows that our credit rating was actually upgraded from a BBB- to BBB. And so we continue to meet that requirement of the stip agreement too.

Be happy to answer any questions that anyone has.

COMMISSIONER MCCABE: Mr. Swain, will your capital budget remain about the same in 2014? And what kinds of things are included in that?

MR. SWAIN: We expect that it will track nicely. We have had some expenditures in
2013 that deal with some new IT type of systems:

a new customer billing system that was initiated,
a system that's called Winsoft that helps us
track our compliance systems. Those are the --
those were in the '13 budget. We don't expect
that we'll have anything significant on the IT
side in 2014.

We will be making some upgrades to
some of our existing regulator stations and
facilities throughout the state, and we're
working on that schedule as we speak.

CHAIRMAN SCOTT: Any questions?

(No response.)

CHAIRMAN SCOTT: Thank you very much.

We appreciate you coming in.

MR. SWAIN: Thank you.

CHAIRMAN SCOTT: The last item of

other business today is a FERC item which
concerns pending litigation. So we'll go into
Closed Session to address it.

Is there a motion to go into Closed
Session?

COMMISSIONER MCCABE: So moved.

CHAIRMAN SCOTT: Moved by
Commissioner McCabe.

ACTING COMMISSIONER DEL VALLE:

Second.

CHAIRMAN SCOTT:  Second by Commissioner del Valle.

All in favor say aye.

(Ayes heard.)

CHAIRMAN SCOTT:  Any opposed?

(No response.)

Vote is 5-0, and the Commission will now go into Closed Session.

Please let me know when the room is ready in Springfield.

(At this point pages 27 - 35 of the proceedings are contained in a separate closed transcript.)
CONTINUATION OF PROCEEDINGS

COMMISSIONER COLGAN: We're ready.

CHAIRMAN SCOTT: In Closed Session, Bill VanderLaan of Commission Staff briefed us on OMS comments in response to September 13, 2013, filings made by MISO and various MISO transmission owners concerning revisions to their formula transmission rate protocols. This item does not require any Commission action at this time.

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

JUDGE WALLACE: No. I think that's it, sir.

CHAIRMAN SCOTT: Thank you, Judge. If you would, let the court reporter -- give her Nicole's contact information in case she has any questions about the transcript for today.

JUDGE WALLACE: All right.

CHAIRMAN SCOTT: Very good. Thanks. Hearing nothing further to come before the Commission, this meeting stands adjourned.
Thank you, everyone.

MEETING ADJOURNED
CERTIFICATE OF REPORTER

STATE OF ILLINOIS     )
                      ) ss.
COUNTY OF SANGAMON   )

I, ROBIN A. ENSTROM, a Registered Professional Reporter and Certified Shorthand Reporter within and for the State of Illinois, do hereby certify that the foregoing proceedings were taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

__________________________________________
ROBIN A. ENSTROM
Illinois CSR No. 084-002046