BEFORE THE
ILLINOIS COMMERCE COMMISSION

BENCH MEETING
(PUBLIC UTILITY)

Chicago, Illinois
Tuesday, November 8, 2011

Met, pursuant to notice, at 10:30 a.m. in
N901, Eighth Floor, 160 North LaSalle Street,
Chicago, Illinois.

PRESENT:

DOUGLAS P. SCOTT, Chairman

LULA M. FORD, Commissioner

ERIN M. O'CONNELL-DIAZ, Commissioner
via teleconference

SHERMAN J. ELLIOTT, Commissioner
via videoconference

JOHN T. COLGAN, Acting Commissioner
via videoconference

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CHAIRMAN SCOTT: Pursuant to the provisions of the Illinois Open Meetings Act I now convene a Regular Open Meeting of the Illinois Commerce Commission. With me in Chicago are Commissioners Ford, O'Connell-Diaz, Elliott and Acting Commissioner Colgan. I'm Chairman Scott. We have a quorum.

Before moving into the Agenda, according to Section 1700.10 of Title II 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 the Bench Session. According to the Chief Clerk's Office, we have four requests to speak at today's Bench Session.

Under our procedural rules each will have 3 minutes for your presentations today. We'll take the requests in the order they were received.

First up is Beth -- is it Stuchly?

MS. BETH STUCHLY: Stuchly.

CHAIRMAN SCOTT: -- Stuchly. I guessed and
guessed wrong. So I apologize for that.

MS. BETH STUCHLY: I am Beth Stuchly, president of the Camelot Homeowners Association. I would like to speak to all of you today about one of the effects that this huge rate increase by Utilities, Inc., would have on our little neighborhood.

When our neighborhood was first developed in the late '60s it was known as a beautiful wooded community filled with big lots and unique homes. It was known as exclusive and as a desired address.

Through the years more sections were developed expanding this community with a variety of homes and people. In the building boom that hit nationwide approximately ten years ago there were other neighborhoods in the small villages around Camelot that became known as wonderful places to live.

If this 219 percent rate increase becomes a reality for us and our water and sewer become one of the most expensive water utilities in the State of Illinois, how are we going to encourage
new residents to Camelot? There are currently six
homes up for sale in our neighborhood. And I just
learned this week three homes have gone into
foreclosure showing that people are just having a
hard time paying for their homes. A neighbor on my
street has been trying to sell their house for two
years unsuccessfully.

When I checked the MLS Web site, there
are currently 94 homes for sale in Shorewood, 115 in
Joliet, 45 in Channahon and 35 in Minooka. All of
these communities have lower water rates and sewer
rates than our current rates before this huge
increase. If this rate becomes a reality, I fear
that Camelot will have a big red X on it. Every
realtor will know of our insane water and sewer rates
and steer clients away from our community to others.

The inability to sell our homes due to
this outrageous monthly bill will drive down the
price that we're able to ask for our beautiful homes.
That will in turn drive down our property value, but
not our taxes, of course. I don't regret building
our house for our three daughters in this beautiful
neighborhood, but I'm afraid that someday I will.

Thank you.

CHAIRMAN SCOTT: Thank you, Miss Stuchly.

Next up is either Barry or Deborah Damon. Miss Damon, go right ahead.

MS. DEBORAH DAMON: Hi, I'm Deborah Damon and I -- we were sitting there discussing this and a lot of what Beth said is what I was going to say. It has a great impact on our property values. We're being hit with the recession. Our property values have diminished. You add this huge increase in our water bills and it's like -- I think we're going to drive a lot of people in our area into poverty.

This area was established in the late '60s, early '70s. There's a lot of people who were the original builders who still live in the community. You do the math. They're senior citizens. They're on fixed incomes. How are they supposed to absorb this exorbitant increase.

As it is we currently have a very high water rate. The past ten years that I've lived there, our water rates were one of the highest in the
area. Everybody has just about caught up to us and
now we want to jump ahead again. There's a time you
don't want to be at the head of the curve and this is
one that I'd like to step back on. I really don't
see it.

I decided that visual aids sometimes
help. Let's talk about quality. Within three
washings this sock will look like this. The quality
of water -- and I now call doing my laundry chemical
warfare because trying to get things clean in this
water is a near impossibility. My daughter brings
home white clothes, I take them back to the store
because I can't keep them up and I can't afford the
doesn't drink it. We don't drink it. It's terrible
tasting.

I walked in the house the other day
and I'm like, Who spilled bleach? That's -- my
husband took a shower. That's how our house smells
after a shower. Complain? We've been complaining
since we moved in there. When this company took over
our water company three to four years ago, they made
appointments to come out to meet with us about our complaints. Guess what? They didn't show. Called, they made another appointment. Guess what? Didn't keep that one either. Third appointment, no-show. We finally got them to stop out front of the house because my husband flagged down one of their trucks as it drove by. This is the quality we get, and we're supposed to pay more than anybody else for this type of quality? I don't think so.

Thank you.

CHAIRMAN SCOTT: Thank you, Miss Damon.

Up next is Natalia Walsh.

MS. NATALIA WALSH: Me and my husband bought our house in Camelot about six years ago. We have four kids. I am a stay-at-home mom. My husband already works sometimes seven days a week every side job he can find just to make ends meet, cutting coupons, buying used clothes for our kids.

There is simply no more wiggle room in our budget for a water bill and sewer bill that I'm estimating, according to our current bills, would be about 6 to $700 every two months. That's more than
our car payment. We spend over $600 a year on Ice
Mountain Water service. I don't let my kids drink
that water. I even don't cook with it. We can't
afford this.

I think for a company that has never
asked us how satisfied we are with our water quality
and really doesn't care about what we're drinking,
what our kids are taking in, I think it's an insult
to ask for this kind of increase. I don't know --
I'm going to have to find probably a part-time job
just to pay for our water bill if this passes and
miss out on watching my kids grow up, which I don't
even want to think about at this point.

So -- and a lot of what you've heard
from the previous comments is very true. We also
spend hundred of dollars a year on anything from
vinegar to OxiClean to chlorine just to keep our
clothes form turning colors, just to keep our
appliances from, you know, not working anymore
because of the buildup from the minerals is
unbelievable. My dishwasher -- the repair guy knows
me by my first name and I just scrape off the mineral
deposits with a steak knife -- that's how bad it is -- just to keep the appliances working. And that takes a financial toll on us as well.

So I'm here to ask you today, please, not allow this to pass, and I also think that if it does pass then this sets a very bad precedence for any other company that wants to supply horrible service and get paid a lot money for it.

Thank you.

CHAIRMAN SCOTT: Thank you.

And last up is Adam or Karen Medlin.

Mr. Medlin.

MR. ADAM MEDLIN: Well, I guess more so than the quality, kind of what I just bring up is the initial amount of the rate increase I think is just a little bit unreasonable. We're looking -- we get billed bimonthly. So when you're talking a 300 percent increase, you're going from, you know, $108 to 360 or $400 on your bill. It looks a lot different than a monthly bill.

Beyond that, communities around us, Joliet just had a water tax -- or a water increase
that was 45 percent. It made the papers. It made
to the editors. Reading the Sun-Times
They're talking about a 50 percent increase in
Chicago over four years. That makes letters to the
editors. That makes the papers.

You know, they're talking about 200,
300 percent increase with the sewer effective
immediately. You know, that's a bit of a shock right
there. I think that's asking a little bit much. You
know, they say they can't phase it in over any number
of time because it won't give them enough for money
up-front for operating expenses. They've been
telling us that for years. They're still operating.
So there must be a little bit of wiggle room in there
for them.

I don't think anybody's against some
kind of a small increase -- you know, we haven't had
a rate increase in a while -- but I can't think of
any other business that could raise your rates
300 percent. You know, being basically a monopoly
there in the neighborhood, we're not allowed to drill
wells. We can't have septic. Our lots are too
small. We have no other recourse. You can't shop
around for water in our neighborhood as far as
bathing, whatnot.

So we're asking for little bit of
help. We need some protection from the monopoly
that's there. Like I said, I don't think we're
unreasonable, but I think 300 percent's a little bit
unreasonable.

Thanks.

CHAIRMAN SCOTT: Thank you, Mr. Medlin.

That concludes the Public Comment
Portion of today's Agenda.

Moving on to items -- notice for
consideration today, Item 1 is the approval of the
Public Utility Minutes from our October 19th Bench
Session. I understand amendments have been
forwarded.

Is there a motion to amend the
minutes?

COMMISSIONER FORD: So moved.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER O'CONNELL-DIAZ: Second.
CHAIRMAN SCOTT: It's been moved and seconded.

All in favor say, Aye.

(Chorus of ayes.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: The vote is 5 to nothing and the amendments to the October 19th Minutes are adopted.

Is there a motion to approve the minutes as amended?

COMMISSIONER ELLIOTT: So moved.

CHAIRMAN SCOTT: Is there a second?

ACTING COMMISSIONER COLGAN: Second.

COMMISSIONER O'CONNELL-DIAZ: Second.

CHAIRMAN SCOTT: It's been moved and seconded.

All in favor say, Aye.

(Chorus of ayes.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: The vote is 5 to nothing and our October 19th Public Utility Bench Session Minutes as amended are approved.
We will use this 5 to nothing vote for the remainder of today's Regular Open Meeting unless otherwise noted.

Item 2 concerns a filing made by ComEd earlier today. This is ComEd's initial formula tariff rate case filing under recently passed Public Act 97-0616. Staff recommends that the Commission enter an Order suspending the filing for further investigation.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is entered and the filing will be suspended.

Item 3 is Docket No. 07-0566. This is ComEd's 2007 rate case on remand from the Appellate Court. The Appellate Court has granted an extension of time associated with the completion of this case on remand and before us today is an Interim Order to be entered to satisfy our statutory deadline requirement. ALJs Hilliard and Haynes recommend that
the Commission enter the Interim Order.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Interim

Order is entered.

Item 4 is Docket No. 11-0358. This is
Ameren's proposed tariff revisions pursuant to the
directives contained in Section 16-118(e) of the
Public Utilities Act related to utility purchase of
uncollectible. ALJ Albers recommends entry of an
Order approving the tariff.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is
entered.

Item 5 is Docket No. 11-0682. This is
a Joint Petition for a Customer Release brought by
M.J.M. Electric Cooperative and Ameren allowing
M.J.M. to serve a customer in Ameren's service territory. ALJ Wallace 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.

Items 6 through 8 can be taken together. These items are Applications for Licensure as an Alternative Retail Electric Supplier under Section 16-115 of the Public Utilities Act. In each case the ALJ recommends entry of an Order granting the requested Certificate.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Orders are entered and the Certificates are granted.

Items 9 and 10 can be taken together.
These items are Applications for Licensure as an Agent, Broker and Consultant under Section 16-115(c) of the Public Utilities Act. In each case ALJ Albers recommends entry of an Order granting the requested Certificate.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Orders are entered and the Certificates are granted.

Item 11 is Docket No. 11-0462. This is Louise Taylor's complaint against Illinois Bell. The complainant now seeks to withdraw her complaint and ALJ Riley recommends granting her Motion to Withdraw.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Motion is granted and the docket is dismissed without
prejudice.

Items 12 through 15 can be taken together. These items are Joint Petitions for Approval of Negotiated Interconnection Agreements.

In each case ALJ Baker recommends entry of an Order approving the Interconnection Agreement.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Orders are entered.

Items 16 through 18 can be taken together. These items each concern a Joint Petition for Approval of a Proposed Amendment to an Interconnection Agreement between Illinois Bell and Comcast. In each case ALJ Baker recommends entry of an Order approving the proposed amendment.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)
CHAIRMAN SCOTT: Hearing none, the Orders are entered.

Item 19 is Docket Nos. 11-0059, 11-0141, and 11-0142 consolidated. This is the rate case for Great Northern Utilities, Camelot Utilities and Lake Holiday Utilities. ALJ Teague recommends entry of an Order approving proposed increases.

I believe there are two revisions to be proposed on this matter. The first is language that started with our office and then with help from Commissioner O'Connell-Diaz' office some suggestions in language that addresses the rate shock portion of the case; in fact, that Camelot and Great Northern have not come in for a rate case in a long period of time and suggesting that through this simplified method that's available under the Public Utilities Law here in the State of Illinois that they could have done. That would have lessened the impact in the particular case that's before us right now and suggesting that, in addition, the costs of preparing those rate cases are greatly simplified under that procedure, which is available for small companies.
So is there further discussion on this before it gets proposed?

Commissioner O'Connell-Diaz.

COMMISSIONER O'CONNELL-DIAZ: Thank you, Mr. Chairman. I just want to be clear that in this language that's been circulated among the Commissioners that it is unfortunate that the Commission does not have the legal authority to dictate when companies come to the Commission for a rate increase.

We have -- I think the longest time I've seen a company stay out is 25 years. And this is not something that the Commission likes to see, wants to see. We believe it's important for customers to be kept current with what those costs are. If you think about, you know, what you paid for a gallon of milk 20 years ago, it's not the same as it is today. So it's very important that these essential services be kept current. And, unfortunately, under the laws that we operate under, our Commission cannot mandate that companies come in.

With that said, we do have a small
company provision that is less costly and we encourage our companies -- the small companies to take advantage of it. We have a wonderful water staff that will help them through these proceedings that keep the costs down so that essentially ratepayers would not have to pay such a large amount for those rate case expenses that are recovered by law in these cases.

So this is -- this language is meant to address that issue and the paucity of our legal authority with regard to mandating companies coming in for rate increases.

CHAIRMAN SCOTT: Is there further discussion on this revision?

I would move to propose this revision then.

Is there a second?

COMMISSIONER FORD: Second.

CHAIRMAN SCOTT: It's been moved and seconded.

Is there further discussion on this revision?

(No response.)
CHAIRMAN SCOTT: All in favor say, Aye.

(Chorus of ayes.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: The revision is adopted.

The second revision comes from my office and this regards the -- another issue which was particularly troubling to me in this case, and that's the issue of water quality that's been touched on in numerous places in the record through a series of affidavits that were submitted.

The proposed revision that I have, without reading it word for word, though, would ask the Commission Staff to initiate a -- excuse me -- would develop -- Staff to develop a report trying to determine whether or not there needs to be a further investigation of the issue and the quality of the water.

The reason I'm proposing this is because this is a very small company, as we've heard and we've seen throughout the course of the rate case. You've got, through affidavits, somewhere
between 10 and 15 of the entire customer base that's made complaints about the water quality issue that's there. I believe that under both the Administrative Code and certainly under the Public Utilities Act under Section 8-102 where it says quote, The Commission is authorized to conduct or order a management audit or investigation of any public utility or part thereof, may examine the reasonableness, prudence or efficiency of any aspect of a utilities' operations, costs, management decisions or functions that may affect the adequacy, safety efficiency or reliability of a utility's service of reasonableness or prudence of the costs underlying rate charges, et cetera.

And here, with respect to the quality of water in this case, it seems to me that this at the very heart of what we do as a commission. These -- this is a regulated monopoly. The customers of this particular water company -- in Camelot's case, I'm speaking to you specifically here -- not to confusing the other two companies that are involved here, but Camelot specifically. This is -- their job
is to provide water and to provide water that's
useable for the reasons -- for the purposes for which
it's provided.

The fact that it -- the effect that it
has on both the taste of it, which also affects the
usability of it -- the usability of it for laundry
purposes and the usability of it in terms of water
pressure and the other things that have been cited in
this case seem to impact directly on the efficacy of
this company and their provision of water.

Now, I agree with the argument that
was come to in the order that says that you can't use
that as a basis for effecting the return in the case,
and I'm not suggesting that. I'm just suggesting
that there's an investigation report first to see if
it warrants further investigation into whether or not
the provision of the services here in this water case
are what is supposed to be, what the folks are
actually paying for here.

As I said, these folks don't have a
choice as to whether or not to provide that and to
use an analogy, if we had -- it's very difficult to
do this, of course -- but if you had an electric
service that had so such low voltage that you could
only do some of the things in your house with that
electric service or you had a gas service that would
only provide you to be able to do some of the things
in your residence or in your business, that seems to
me to be something where the Commission should take a
look to make sure that while we're talking about the
adequacy of safe, reliable service, it also makes
sense to me that part of adequacy is not just
quantity it's what the purpose of that water is to be
used for and in this case it seems to me to be that
in several instances.

Whereas the record is unfortunately,
in my opinion, fairly vague in some of these places,
these allegations have been raised, and I think they
warrant further look at by the Commission Staff. And
so that's the purpose of the language that's there.
It doesn't call for anything more than that, but it
asks for that to be done. And so -- ask for further
discussion on that particular revision.

ACTING COMMISSIONER COLGAN: Well, I think that
was well said. I don't have a lot to add to that. I think you talked it out in good detail there. And I think there are -- the issue of using that as a way to reduce the rate base is not what's being asked for here. But I think people that have come and talked to us and the record shows that there is a good -- a good question about the quality of the water in this case. And I think at a minimum we can ask for the Staff to take a look into this and see where that can go. So I'm in favor and will support your proposal.

CHAIRMAN SCOTT: Commissioner Ford.

COMMISSIONER FORD: Mr. Chairman, I'm just concerned about the fact -- the word "quality." And I don't want us to step on another agency's purview because I see that as a role for the IEPA. So that is my only concern with that issue.

And I know that we regulate utilities, but I don't see how our Staff can go out and do this kind of investigation because that is not in their purview. I would like for us to send a letter to the IEPA asking them to do it.

COMMISSIONER ELLIOTT: I would agree with
Commissioner Ford. I think that the problems are that we don't have responsibility for those standards. Using your analogy for the electric industry, for example, we don't set those standards for -- you know, whether the utility is at 60 hertz or not. It's set by standard setting organizations. Then we are here to assure that our utilities meet those standards, but we're not here to set those standards or to -- certainly we could debate those standards at the EPA in appropriate forums if we feel that those standards that they have are insufficient. And I think that may be an opportunity.

I would certainly support any informal approach by our Staff with regard to the company and to keep the pressure on and to assure that the standards that the EPA does set are being met by the company in the provisions.

But, unfortunately, I just -- I think when we get into this issue of quality and standards we're in a very vague area with little to no regulatory authority. And certainly no standards in terms of our rules as to what quality is other than
the EPA standard that we're adhering to here. So I unfortunately would not support a formal approach but would certainly support an informal approach.

CHAIRMAN SCOTT: Commissioner O'Connell-Diaz.

COMMISSIONER O'CONNELL-DIAZ: I too appreciate the quandary that we are really in. I believe that, you know, we are set with our box of evidence that we have -- that has been developed in this case along with our Administrative Code and our rules. And the record in this matter talks to the issue about the compliance with the EPA requirements, which is what our water companies have to comply with. These are not Commission standards. These are EPA standards.

So going beyond that into that -- what I would call, like, scientific area, that is problematic for me as someone at the Commission. I believe that the IEPA is the appropriate agency to look at these issues that have been brought to fore with the comments that have been filed.

Again, I'm struck with that the record in this matter and the record leading up to this case there are four complaints that are on file with
regard to quality of service. Additionally speaking now that folks do know about the Commission, the Commission is a place to file complaints and not just to wait for the company truck to come. You need to contact our consumer representatives in our Commission so that we are aware of what's going on in your communities. And if you don't tell us, we don't have somebody from the Commission at the corner of your street understanding that you do have these problems. So on a going-forward basis we would urge all of our ratepayers to take advantage of our consumers representatives so that we, as a Commission, can address issues that come to light, not just in a rate proceeding, but 365 days a year.

So I -- I would support an informal -- I think actually what Commissioner Ford is suggesting is the appropriate tact for us to take, and our Staff could draft a letter with regard to that. But I just have an issue with going beyond what our legal authority is and I would ask everyone to look at the Administrative Code where it does talk about quality of service and that the standard is what the IEPA has
cleared. And I know at some point the Company was not in compliance. So they were on catch-up -- for how long that was, I don't know.

    So it's not that we don't want to -- we don't want to be shuffling the ratepayers to another agency, but I think that that's the appropriate place that we will actually get the appropriate addressing of this issue and not with our Commission Staff.

CHAIRMAN SCOTT: If I could respond just very briefly before I move this -- or move this revision.

    You know, not that I don't have an affinity for the IEPA, I spent a lot of good years there, and I think they'll do a fine job if we forward something to them. But I think the Administrative Code goes beyond just the IEPA regs. Let me point out two instances where it does.

    In 600.210 of the Administrative Code it says, The water should be free from objectionable odor and taste and should be colorless. It shall conform to the standards for drinking water as established by the State of Illinois Environmental
Protection Agency. It doesn't say, Shall conform to the standards for odorless and taste as set forth -- and those are two separate things as it's written in that section saying in my mind that it means there's something in addition to the EPA regulations as well. In addition -- in response to Commissioner Elliott's points, 600.230 sub (b) does set a pounds per square inch pressure that we set in our own Administrative Code. And so with the allegations being such that they are, it seems to me to be reasonable for us to do both of those things. Because the EPA regs won't talk about odor and color. That's not something the EPA regs do. So this is -- in my mind this is something that's over and above and we have the pounds per square inch of pressure system as well. And the other -- the only -- the last thing I'll say is that -- that I agree that we want people to be able to come to the Commission; but if they come to the Commission, according to our own rules, we should be able to tell them something different than, Go see the EPA. Because I think
there's more in our own rules that actually call for that.

And so for those reasons, I would move to adopt this revision.

And is there a second?

ACTING COMMISSIONER COLGAN: I'll second the motion, and I'm going to go with your logic on that. There are just a number of things in this case that I think that are troubling and I think in efforts to other Commissioners and comments made here, I think there are a number of issues here that reasonable people can really disagree on. And I think we have that in this case.

COMMISSIONER FORD: Absolutely.

ACTING COMMISSIONER COLGAN: But, you know, I just think that there have been compelling arguments made about the quality of this water and I understand that that's a concern that other Commissioners have about how that's defined, but I'm going to second and support this proposal.

CHAIRMAN SCOTT: Is there further discussion on this proposed revision?
CHAIRMAN SCOTT: It's been moved and seconded.

All in favor say, Aye.

ACTING COMMISSIONER COLGAN: Aye.

CHAIRMAN SCOTT: Aye.

Opposed?

COMMISSIONER O'CONNELL-DIAZ: Nay.

COMMISSIONER FORD: Nay.

COMMISSIONER ELLIOTT: Nay.

CHAIRMAN SCOTT: The vote it 2 to 3 and the proposed revision is not adopted.

COMMISSIONER ELLIOTT: Just one final comment with regard to this as well.

CHAIRMAN SCOTT: Commissioner Elliott.

COMMISSIONER ELLIOTT: Again, I think our Staff is keenly aware of our position here across the board. And I think to the extent that Staff believes that any type of authority exists to approach this informally, if there's anything that Staff believes and our General Counsel's Office believes that we have legal authority to approach, then I would expect them to provide a filing to this Commission on their
own motion and we can initiate subsequent proceedings on the basis of that.

So I'd like to move it forward but on an informal basis.

CHAIRMAN SCOTT: Further discussion on this matter --

ACTING COMMISSIONER COLGAN: Well, I have --

CHAIRMAN SCOTT: Commissioner Colgan.

ACTING COMMISSIONER COLGAN: -- a couple of comments here. I'm going to encourage the parties to file for rehearing on this case and hopefully that would provide something in -- for the record in terms of the rate shock issue. Every party in the case, including the Company, agrees that the rates are extremely high in this situation. And in rehearing if we could get something -- and I'm not sure what that is, and I don't see it as my job to identify what that is. Our jobs are to review the record -- the evidentiary record in the purview of the law, to interpret that. And, you know, I think rehearing requests -- I'm not sure that it be granted, but I think it should be requested.
And, finally, I think that I'd like to have on -- just the recommendation is that we should look into -- as a Commission into maybe doing something to revise the simplified rate procedure standards, the form. I know that it hasn't been revised since 2002. But the first amendment that we made on this order, the issue of encouraging companies to come in for a more regular request for rate increase would allow for the gradualism to occur and it would be less painful.

But I think it's time for us to take another look at the simplified rate case form and procedures.

CHAIRMAN SCOTT: Further discussion?

Commissioner O'Connell-Diaz.

COMMISSIONER O'CONNELL-DIAZ: I agree with it. We should look at that.

Just on another issue, and this was -- I think we touched on it in oral argument. It's not in this filing. It's nowhere to be found. We are aware, as a Commission, that these rates are going to be adjusted in an upward manner that is very
dramatic. And with that said, I think the last time I'd ever seen anything of that nature was during the rate increases that occurred after the deregulation of our electricity in our state pursuant to legislation.

At that time we did receive from the utilities rate mitigation plans that customers could opt into. Again, it's a choice issue. There are, associated with that, carrying costs; but what it did is it got folks on a ramp up to those costs that are -- the realtime costs that we're now being asked to review and grant in this proceeding. I did not see anything in this record with regard to any rate mitigation plan.

Again, the Commission cannot order a company to come in with a rate mitigation plan; but I personally would like to see some movement with regard to that issue. So that if a customer is challenged by these costs that there would be an appropriate mechanism for them to take advantage of for them to be able to meet these costs that do provide this essential service.
And these are -- you know, I always remind everyone, this is not the cable bill. This is the essential services to your home. It is not your iPhone. It is not your computer service -- although that's an essential service, these are these essential services. So when we talk about these issues of water, electricity and gas -- but most importantly water because you cannot function in a home, you can't get an occupancy permit without water. These are the essential services.

So I think it's important for our ratepayers that are affected by this to be able to figure out a way to shoulder this burden in a manner that is progressive and gives them some leeway in their budget that they sit down every month and go through. So, again, we cannot mandate; but I'm just kind of putting this out there.

CHAIRMAN SCOTT: Further discussion?

Commissioner Elliott.

COMMISSIONER ELLIOTT: I sympathize with both of those positions. I think, unfortunately, the record is devoid of potential alternatives. We all
know that, you know, there are alternatives out there. They are -- have upsides and downsides, you know, carrying charges, et cetera, but there are approaches. And, unfortunately, the record was short, and -- leaving us with a record that we have little option to engage in alternatives.

So I would be supportive of further discussion on this matter in terms of rehearing as well.

CHAIRMAN SCOTT: Further discussion?

(No response.)

CHAIRMAN SCOTT: Is there a motion to adopt the order as amended?

JUDGE WALLACE: Mr. Chairman? Mr. Chairman?

CHAIRMAN SCOTT: Yes.

JUDGE WALLACE: This is Judge Wallace.

CHAIRMAN SCOTT: Yes, Judge.

JUDGE WALLACE: I just wanted to -- have you been updated on the number of letters and comments that we received?

CHAIRMAN SCOTT: Not yet.

COMMISSIONER O'CONNELL-DIAZ: I think she's
trying to, but we're not letting her have a word in edgewise.

CHAIRMAN SCOTT: Judge, go right ahead.

Thank you.

JUDGE TEAGUE: I will give you a very brief update. So far with Great Northern, no written comments have been received, but 19 comments were received on e-Docket. With respect to Camelot, 71 letters opposing the rate increase have been received, one petition with 152 signatures opposing the rate increase have been received and three municipal resolutions are on file with the Clerk's Office, and 68 comments were filed on e-Docket. And with Lake Holiday Utilities, there were two letters opposing the rate increase and two comments field on e-Docket.

CHAIRMAN SCOTT: Thank you, Judge. I apologize for that.

Thank you, Judge Wallace, for reminding me.

Is there a motion to adopt the Order as amended?
COMMISSIONER FORD: So moved.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER ELLIOTT: Second.

CHAIRMAN SCOTT: It's been moved and seconded.

All in favor say, Aye.

(Chorus of ayes.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: The vote is 5 to nothing and

the Order as amended is entered.

Judge Wallace, is there any other

matters to come before the Commission today?

JUDGE WALLACE: That's all today, Mr. Chairman.

CHAIRMAN SCOTT: Thank you, sir.

Hearing none, the meeting standards

adjourned. We'll be back in at 1:00 o'clock today

for our Joint Policy Committee Meeting concerning

pending EPA regulations on impact on reliability.

Meeting's adjourned.

MEETING ADJOURNED