BEFORE THE

ILLINOIS COMMERCE COMMISSION

REGULAR OPEN MEETING

(PUBLIC UTILITIES)

December 6, 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, Commissioner (telephonically)
MIGUEL DEL VALLE, Commissioner
JOHN R. ROSALES, Commissioner
SHERINA MAYE-EDWARDS, Commissioner

SULLIVAN REPORTING COMPANY, by
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CHAIRMAN SHEAHAN: Pursuant to the Open Meetings Act, I call the December 6th, 2017 Regular Open Meeting to order. Commissioners del Valle, Edwards, and Rosales are with me in Chicago. We have a quorum.

Commissioner Oliva, are you with us?

COMMISSIONER OLIVA: Yes, I am.

CHAIRMAN SHEAHAN: I vote to allow Commissioner Oliva to participate by phone.

Is there a second?

COMMISSIONER EDWARDS: Seconded.

CHAIRMAN SHEAHAN: Any discussion?

(No response.)

CHAIRMAN SHEAHAN: All of those in favor say "aye".

(Chorus of ayes.)

CHAIRMAN SHEAHAN: Opposed say "nay".

(No response.)

CHAIRMAN SHEAHAN: The ayes have it, and Commissioner Oliva is granted permission to participate by phone.

We have two requests to speak this
morning. As a reminder, you will have 3 minutes.

We'll let you know when you have 2 minutes left, 1 minute left, and when your time has expired.

Please be aware that the Commission affords the opportunity to the public to make comments. However, we will not respond directly to your comments nor can we rely on to resolve disputed issues of fact in contested cases.

Our two speakers are Paul Hammond and Danny Waggoner. Paul Hammond is first.

Sir, are you here?

MR. PAUL HAMMOND: Yes.

CHAIRMAN SHEAHAN: Please have a seat, and make sure the microphone is on.

MR. PAUL HAMMOND: Paul Hammond, 511 Beverly, Lake Forest.

May I approach the Commissioners to hand out a sketch that I believe will help clarify the issue?

CHAIRMAN SHEAHAN: Why don't you hand it to one of our assistants?

MR. PAUL HAMMOND: (Complying.)
ComEd met with 14 residents that live on Beverly Place in Lake Forest to inform them that they were responsible for maintaining high voltage power lines rated at 4,160 volts, based on current rules and regulations approved by the Illinois Commerce Commission.

The current policy is unworkable because, during winter storm conditions, Commonwealth Edison hires the very few high voltage contractors, making electrical power restoration by the homeowner to their home almost impossible. There's a big difference between hiring a residential contractor that uses this type of stranded building wire (demonstrating) and this type of high voltage cable that ComEd expects residents to maintain.

The problem arises when the resident's home is more than 400 feet from the property line; and under the current rules and regulations the resident is required to maintain a high voltage line past the 150-foot point from the property line.

From 1955 to 1990, almost 35 years, everything worked fine. When a branch fell on a high
voltage line on residential property -- normally, about once every 10 to 15 years -- ComEd would send one of their crews to open up their switch to de-energize the line. Commonwealth Edison would then spend about 15 minutes fixing a splice on the line. Commonwealth Edison would then close the Commonwealth Edison switch to re-energize the line. Work was complete. Everything was fine.

Not anymore. The current rules and regulations require Crew 1: Commonwealth Edison must send out a crew to open up the ComEd switch to de-energize the line. Crew 2: The homeowner hires the high voltage crew to fix the splice in the line. The homeowner then calls Commonwealth Edison to close the Commonwealth Edison switch. Crew 3: Commonwealth Edison must send out a crew to close the Commonwealth Edison switch.

There is no way that the current rules and regulations that require sending three crews to complete what one high voltage crew could complete initially makes any sense.

During the recent storms in Florida,
ComEd high voltage crews were sent down to Florida; but when Illinois experiences winter storms, then Florida sends their crews to Illinois. So if the closest crew for ComEd is Florida, then a homeowner might have to resort to finding crews in California. So imagine how difficult it is for an elderly homeowner or someone like your mom to arrange for a crew from California or Florida for a 15-minute job to repair a splice on an overhead high voltage line because a branch fell on it during a winter storm.

The solution for the Illinois Commerce Commission is requiring ComEd to service all overhead high voltage lines on residential properties to the transformer. The resident would maintain all electrical power lines rated at 600 volts or less because there are hundreds of contractors that can perform that work.

Thank you for your time. And are there any questions for me?

CHAIRMAN SHEAHAN: Thank you, sir. We don't do questions.

MR. PAUL HAMMOND: Okay. Thank you very much.
CHAIRMAN SHEAHAN: Thank you.

Our second public comment is from Danny Waggoner with AEE.

Mr. Waggoner?

MR. DANNY WAGGONER: Good morning. I am the Senior Manager for Regulatory Transformation at Advanced Energy Economy.

Advanced Energy Economy is a national association of businesses that are working together to make the electricity grid cleaner, more reliable, and more affordable. Today I am speaking on the proposed rulemaking on the accounting treatment of cloud-based solutions.

AEE and its members would like to commend the Commission for taking up this important issue. Cloud-based are currently at a disadvantage because it means that the utility must forego the profit that it would have received on an onsite capital investment if the utility instead chooses a cloud-based solution.

Placing capital investments and service-based cloud solutions on a level playing
field will allow these solutions to compete based on their merits and their cost-effectiveness rather than the mode of delivery or ownership. We believe these changes will better align customer utility interests by making sure the utility is rewarded by meeting customer needs in the best and most cost-effective manner, regardless of the deployment approach.

Today I'm submitting a letter into the record that has been co-signed by Advanced Energy Economy, Amazon Web Services, CPower, EnergyHub, EnergySavvy, FirstFuel, General Electric, Itron, Nest Labs, Oracle, Salesforce, Siemens, and Simple Energy that commends and supports the Commission, hopefully, for taking up this proposal.

CHAIRMAN SHEAHAN: Thank you, sir.

Now, moving into the Public Utilities Agenda, there are edits to the November 8th, 2017 Regular Open Meeting.

Are there any objections to approving the minutes as edited.

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the minutes
Item E-1 concerns MidAmerican's filing to update its Nuclear Decommissioning Factor under Rider 12.

Are there any objections to not suspending the filing?

(No response.)

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


Are there any objections to granting the motion to withdraw?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the motion is granted.

Item E-3 concerns a consumer complaint against Ameren.

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

Hearing none, the Joint Motion is
Item E-4 concerns a consumer complaint against Liberty Power Holdings. Are there any objections to approving the proposed Order dismissing the proceeding? (No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item E-5 concerns ComEd's reconciliation of revenues collected under coal tar riders. Are there any objections to approving the proposed Order approving the reconciliation? (No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item E-6 concerns Ameren's reconciliation of revenues collected under Hazardous Materials Adjustment Rider. Are there any objections to approving the proposed Order approving the reconciliation?
(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item E-7 concerns ComEd's Annual Rate Formula Update and Reconciliation.

Is there a motion to approve the proposed Order approving the Rate Update and Reconciliation?

COMMISSIONER ROSALES: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER MAYE-EDWARDS: Seconded.

COMMISSIONER OLIVA: Seconded.

CHAIRMAN SHEAHAN: Commissioner del Valle, I believe you have a comment?

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

I will be voting to approve the Final Order, but I disagree with the Commission's findings concerning ComEd's online marketplace pilot program.

In this docket, ComEd presents this pilot as a web-based -- and I quote -- "platform for commercial exchange". It is an early example of what
the Company describes as its innovative initiative to increase customer choice, control, and education in the future. This platform concept is a crucial part of the Company's preferred, new business model for the utility of the future, a topic of the Commission's ongoing NextGrid initiative.

Cost-recovery for this platform pilot is, however, already before us, and it raises important legal and policy questions. Unfortunately, the results of this Order have given me substantial cause for concern on whether ratepayers will be adequately protected.

First, the Attorney General's Office is the only party besides ComEd to engage with this issue in a docket with only two contested issues. As ComEd implements the components of its platform initiative and questions of cost recovery come to the Commission, everyone's engagement is critical.

But, most importantly, the Order's far-reaching findings are based on a parade of conclusory statements without any analysis or scrutiny of ComEd's inadequate evidence.
As a threshold matter, now and in any iteration of the utility of the future, any recovery for important experimentation should be supported by a clear presentation of empirical pilot design, using quantified and ongoing cost benefit analysis to verify clearly defined and articulated customer benefits. It is not sufficient for ComEd to try to support its rapidly expanding definition of "customer service" and delivery services merely based on the raw numbers of site visits and product purchases, which likely include consumers outside of ComEd's territory.

The Commission cannot become an uncritical rubber stamp just because an initiative is labeled as "innovative". Change is neither inherently good nor bad, but all change comes with risk. In order to protect ratepayers' access to affordable and equitable service, the Commission must be vigilant and demanding when presented with these proposals.

The Commission should not be accepting ComEd's arguments without properly engaging with the
longer-term implications of their meaning. In this Order, the Commission does not have a standard for determining whether a third-party website selling electronics, including doorbell webcams and outdoor speakers, is an energy-related customer service. The Commission cannot be arbitrary and passive, but must provide guidance as to what is in the public interest. Absent this scrutiny, we could tread down a path where the utility costs are unnecessarily high and where benefits are inequitably going to those most able to afford them.

Of course, a future with a platform that prioritizes monetizing access to customers and their data without clearly defined, quantified, and verified customer benefits and savings is not acceptable.

CHAIRMAN SHEAHAN: Thank you, Commissioner. Any other discussion?

(No response.)

CHAIRMAN SHEAHAN: All of those in favor of approving the proposed Order say "aye"?

(Chorus of ayes.)
CHAIRMAN SHEAHAN: Opposed say "nay".

(No response.)

CHAIRMAN SHEAHAN: The "ayes" have it, and the Order is approved.

JUDGE KIMBREL: Mr. Chairman, just for the record, I'd like to note that one public comment was filed on e-docket.

CHAIRMAN SHEAHAN: Thank you.

Item E-8 concerns Ameren's Annual Rate Update and Reconciliation.

Is there a motion to approve the proposed Order approving Ameren's Rate Update and Reconciliation?

COMMISSIONER ROSALES: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER MAYE-EDWARDS: Seconded.

COMMISSIONER OLVIA: Seconded.

CHAIRMAN SHEAHAN: Any discussion? Commission del Valle?

COMMISSIONER DEL VALLE: Thank you, Mr. Chairman.

I will be voting No on this order. I
believe the Order errs in waiting for the internal audit of Ameren Services Company's costs pursuant to its General Services Agreement.

As I explained in my dissent on the Order approving the General Services Agreement:

"Under no circumstances should a regulator rely upon a regulated utility to inform that regulator when and how that regulated utility is engaging in the inappropriate activity which the regulator exists to prevent.

The internal audit required by the General Services Agreement merely confirms that the amounts charged to Ameren are what the affiliated Services Company tells the utility it costs to provide service. This does not, however, provide the Commission with the necessary information to determine whether those costs are just and reasonable. That requires a well-structured and thorough independent third-party audit.

CHAIRMAN SHEAHAN: Thank you, Commissioner. Any other discussion?
CHAIRMAN SHEAHAN: All those in favor of approving the proposed Order say "aye".

(Chorus of ayes.)

COMMISSIONER ROSALES: Opposed say "nay."

COMMISSIONER DEL VALLE: "Nay".

CHAIRMAN SHEAHAN: The vote is 4 to 1, and the "ayes" have it.

JUDGE KIMBREL: Mr. Chairman, there was also a public comment filed on e-docket.

CHAIRMAN SHEAHAN: Thank you.

Item E-9 concerns MP2 Energy NE's petition for confidential treatment of its annual report.

Any there objections to approving the proposed Order granting the petition?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item E-10 concerns Clark Roof Company's Application for Certification as an Installer of Distribution Generation Facilities.
Are there any objections to approving
the proposed Order approving the application?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the
application is approved.

Items E-11 through E-79 concern
Applications for Certifications to Install Energy
Efficiency Measures.

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

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders are
approved.

Moving on to our Gas Agenda, Item G-1
concerns Consumer Gas Company's reconciliation of
revenues collected under gas adjustment charges.

Are there any objections to approving
the proposed Order approving the reconciliation?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is
approved.
Item G-2 is Illinois Energy, USA's petition for the confidential treatment of its annual report.

Are there any objections to approving the proposed Order granting the petition?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item T-1 under our Telecommunications Agenda concerns setting the rates of operator service providers.

Are there any objections to approving the rates set forth in the petition -- in the proposed Order?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item T-2 concerns the Universal Telephone Assistance petition to determine the amounts and form of assistance to be provided by local telecommunications carriers.

Are there any objections to approving
the proposed Order approving the petition?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Items T-3 through 8 concern petitions for the confidential treatment of the annual reports. Are there any objections to considering these items together and approving the proposed Order?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders are approved.

Items T-9 through 11 concern various petitions to cancel or withdraw certain service authority to provide various telecommunications services. Are there any objections to considering these items together and approving the proposed Orders?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders are approved.
Items T-12 and 13 concern applications to operate as resellers of telecommunications services.

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

(No response.)

CHAIRMAN SHEAHAN: Hearing none, these Orders are approved.

Moving on to our Water Agenda, Item W-1 concerns Illinois-American Water's Annual Reconciliation of Purchase Water and Purchase Sewer Treatment surcharges.

Are there any objections to approving the proposed Order approving the reconciliation?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item W-2 concerns Utility Services of Illinois's Petition to Provide Service to a Parcel in the Village of Oakwood.

Are there any objections to approving
the proposed Order granting the petition?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Under our Miscellaneous Agenda, Item M-1 concerns initiating a proposed rulemaking related the regulatory accounting treatment of cloud-based solutions.

Are there any objections to approving the proposed Order initiating the rulemaking?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

We have two items of Other Business. The first is our own motion to adopt a Resolution to approve the formation of a Retail Market Advisory Committee.

Are there any objections to adopting the Resolution?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Resolution is adopted.
The second concern initiating a proposed rulemaking to implement consumer protection provisions of the Alternative Gas Supplier Law. Are there any objections to approving the proposed Order initiating the rulemaking?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

That concludes our business on the agenda.

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'd like to discuss?

COMMISSIONER MAYE-EDWARDS: If I may,

Mr. Chairman?

CHAIRMAN SHEAHAN: Commissioner Edwards?

COMMISSIONER MAYE-EDWARDS: Thank you.

Good morning. It is with bittersweet emotion that I announce today will be my last day as a Commissioner on the Illinois Commerce Commission.
It has been almost 5 years since I walked into this role and into this building, but it has been a phenomenal 5 years indeed. I'm thankful for the appointment by Governor Quinn and the continuous support from Governor Rauner.

From the implementation of EMA or the deployment of smart meters, making Illinois a trailblazer in its grid modernization efforts, to the establishment of our own cyber security office to the launch of NextGrid, the ICC has been quite busy.

My learning about this great industry, which started on the very first day, has not ended and it never will. I have learned and grown so much professionally and personally in this role, and I credit it to making me the woman that I am today.

There have been a lot of ups and downs, challenges and opportunities, tears of joy and tears of sadness, but I look back over the last 5 years with a great fondness for it all because I am now a better person.

I am particularly thankful for all of the wonderful people that I have met and the many
colleagues that I now consider dear friends and others a part of my family. You see, when you are somewhere for 5 years -- and my mother reminds me that this is the longest that I've held a job. But when you are somewhere for 5 years, you meet people who do become integrated into your daily habit, your daily life, and your daily ritual, and people whose relationships that you can't imagine your life without; and that starts with the dynamic people on this bench.

Brien, we could not be any more different, but we could also not be any more of the same. You walked in 3 years ago with a mission, and you are accomplished every bit of it. But somehow, in the midst of that mission, you took the time to mentor and sponsor me in a way that I have never been before and to always let me and everyone around us know that you had my back and not to mess with me. You taught me that being a good leader means everyone won't like me, and that it is okay. And you taught me that sometimes you have to let things and -- even harder -- sometimes people go; and you taught me how
politic. But, for all of those lessons, above anything, I thank you for your friendship, and I appreciate you more than you will ever know.

Miguel, you are a legend; and serving on this bench beside you will be something I'll be proud of for the rest of my life. You taught me how to stand for what I believe in and to always use my voice. Thank you for allowing me to be me even when we did not see eye to eye. And your support over the years has been incredible, and I am blessed to know you.

John, you are the jokester of the family.

(Laughter.)

COMMISSIONER MAYE-EDWARDS: You taught me that nothing is ever so serious that you can't laugh. You have never been shy about your support and love for me, and I could not be luckier to have such an amazing cheerleader in my corner.

Thank you for also making us shine at the State with the MARC conference that could not and would not have been such a success without your
dynamic leadership.

And, Sadzi, I am so glad that you're not here today. But you would have told me, if you were here, not to wear mascara, so I kind of wish you were.

(Laughter.)

COMMISSIONER MAYE-EDWARDS: But thank you for being you. When you walked in a year ago, I was convinced that I had made all of my closest friends in life at that point, but I was so very wrong. You have quickly become one of my best friends; and to find that in a work colleague is nothing but a blessing. You are beautiful inside and out, intelligent, hardworking; and to top it all off, you are the best mom in the whole wide world.

More than anything, I'm glad we showed the world that two women working together hard as friends can accomplish way more than women working against each other. I cannot wait to see what you do in this industry and at the ICC. Continue to mark it up with your stiletto footprints. And I'm so proud of you in advance.
I always say that the ICC staff are the people who make the bus go round and round, and we truly have a brilliant team here. And I think I've interacted with every single one of you in some capacity and received help, assistance, and guidance from every single one of you. Thank you. Words cannot express my gratitude for the opportunity to work with and learn from each of you.

Lastly, thank you, thank you, thank you to all of my advisers for their hard work over the last 5 years. There was a reason each of you were bought into my life, and I am grateful. You see, without you there was no Commissioner Edwards. You kept me on my toes, and you kept the balls in the air.

Danisha, you taught me that it is okay to bring your faith to work. Nakiha, you taught me that you should always stand for what you believe in. Joe, you taught me that brilliance comes from the inside not the outside. And, Annie, you taught me that loyalty has no color. Thank you all.

And for those that I didn't list
individually, know that you are loved and cherished by me. It has been a blessing to know and work with you all, and I just hope that I touched you all in just a little bit of the way that you have touched my life.

I'm looking forward to this next chapter professionally and personally, but for now I'm looking forward to just a few weeks off to decompress. I miss you all already, but know that it's not goodbye; it's to see you soon.

Thank you for having me in this role. (Applause.)

CHAIRMAN SHEAHAN: Thank you, Commissioner. Are there any other comments?

COMMISSIONER OLIVA: Yes, Chairman, I have a comment.

CHAIRMAN SHEAHAN: Go ahead.

COMMISSIONER OLIVA: Thank you, Chairman Sheahan.

On behalf of my colleagues and the ICC staff, I'd like to wish Commissioner Edwards all of the best in her post-ICC career. I know you will
continue to be a big star in this industry. You've been so giving with your knowledge, advice, and kindness. Your determination to make Illinois a leading state in the nation's energy sector serves as an example to all of us.

I'm so sorry that I can't be there in person, but I will close by saying that whoever sits in your office next will have big and very stylish shoes to fill.

(Laughter.)

COMMISSIONER OLIVA: You have made a tremendous impact at the ICC. And I'm going to stop before I get emotional again.

CHAIRMAN SHEAHAN: Thank you, Commissioner.

Commissioner, del Valle?

COMMISSIONER DEL VALLE: Thank you.

We came in together, and we're leaving together, because I have three bench sessions left. So it's been a pleasure working with you.

I want to just point out a couple of things that I really truly appreciate, in terms of your tenure here. One was your forceful and
aggressive approach in dealing with the supplier
diversity issue. I felt like we were a tag team, and
I think we really made a big difference. And to me
it's always exciting when African-Americans and
Latinos come together to fight a good battle --
battles that need to be fought. So your skills, your
knowledge, your professionalism have all made a
tremendous difference. That's one area.

The other areas is the Women's Summit
that you organized -- the Energy Summit; a major,
major contribution trying to make sure that women are
at the forefront of all of the wonderful things that
are happening in this industry. That's very
important.

And then the last thing that I want to
mention is -- and you covered this -- your ability to
judge character and bring in some wonderful staff. I
said that to you. I said, "You really know how to
pick 'em". And I think Annie's here and others who
are working in different parts of the agency that I
think have been great and very talented people that
you've brought in, and the Commission is stronger
because of their employment here at this Commission. And I hope they'll stick around for a while because there's a lot happening.

So, again, thank you for your service to the public, to the Illinois citizens, and residents. And lots of luck.

COMMISSIONER MAYE-EDWARDS: Thank you.

COMMISSIONER ROSALES: Thank you, Mr. Chairman.

Just quickly, this will be short and totally to the point. But I don't think there is a greater honor than the respect that all of us in this room have for you. Congratulations.

CHAIRMAN SHEAHAN: Thank you, John.

Sherina, let me just add my thanks and appreciation and congratulations. I could not be prouder -- I'm going to need that Kleenex myself.

(Laughter.)

CHAIRMAN SHEAHAN: I could not be prouder to serve on the most diverse State Public Utility Commission in the United States, and could not be prouder of what we've achieved in the last 3 years with the help of all of you, but with especially your
encouragement and support.

When you think about the difference that the, literally, billions of dollars that the utilities are spending in our communities on diverse businesses, it is really impressive to think about the difference that that makes in real people's lives; and in many, many ways that's why we're here and the reason that we've achieved as much is because of your leadership. And whether it's innovation, or diversity, thought leadership -- not just leadership in Illinois, but national leadership -- and leadership around the Women's Energy Summit, you've really got a lot to be proud of.

And I love the fact that it's not goodbye, it's "See you around"; and we all wish you the you best. Thank you.

COMMISSIONER MAYE-EDWARDS: Thank you so much. Thank you.

CHAIRMAN SHEAHAN: With that, if there are no other comments, we'll stand adjourned. Thank you.

(Whereupon, the above-entitled matter was adjourned.)