BEFORE THE
ILLINOIS COMMERCE COMMISSION

BENCH MEETING
(PUBLIC UTILITY)

Chicago, Illinois
Wednesday, December 7, 2011

Met, pursuant to notice, at 10:30 a.m. in
N801, Eighth Floor, 160 North LaSalle Street,
Chicago, Illinois.

PRESENT:

DOUGLAS P. SCOTT, Chairman
LULA M. FORD, Commissioner
ERIN M. O'CONNELL-DIAZ, Commissioner
SHERMAN J. ELLIOTT, Commissioner
via videoconference
JOHN T. COLGAN, Acting Commissioner
via videoconference

SULLIVAN REPORTING COMPANY, by
Alisa A. Sawka, CSR, RPR
License No. 084-004588
CHAIRMAN SCOTT: Pursuant to the provisions of the Illinois Open Meetings Act, I now convene a regularly scheduled Bench Session of the Illinois Commerce Commission. With me in Chicago are Commissioners Ford and O'Connell-Diaz, and with us in Springfield are Commissioner 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 no requests to speak at today's session.

(Whereupon, the Transportation Agenda is contained in a separate transcript.)

CHAIRMAN SCOTT: Moving on to the Public
Utility Agenda. We'll begin today with approval of minutes from prior Commission Meetings. Up first are minutes from our November 8th Regular Open Meeting.

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 amendments to the November 8th ROM minutes are adopted.

Is there a motion to approve the minutes as amended?

COMMISSIONER O'CONNELL-DIAZ: So moved.

ACTING COMMISSIONER COLGAN: So moved.

CHAIRMAN SCOTT: Is there a second?
COMMISSIONER FORD: Second.

CHAIRMAN SCOTT: It's been moved and seconded.

All in favor say, Aye.

(No response.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: The vote is 5 to nothing and the November 8th Regular Open Meeting minutes as amended are approved.

We also have approval of minutes from our November 8th Joint Policy Committee Meeting. 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.

(No response.)

CHAIRMAN SCOTT: Any opposed?

(No response.)
CHAIRMAN SCOTT: The vote is 5 to nothing and the amendments to the November 8th Policy Committee Meeting minutes are adopted.

Is there a motion to approve the minutes as amended?

COMMISSIONER O'CONNELL-DIAZ: So moved.

CHAIRMAN SCOTT: Is there a second?

COMMISSIONER FORD: 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 November 8th Policy Committee Meeting minutes as amended are approved.

Turning next to the Electric Portion of today's Agenda. Item E-1 concerns commencing a reconciliation proceeding involving Mt. Carmel Public Utility Company over revenues collected under fuel adjustment charges. Staff recommends entry of an Order commencing the proceeding.
Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Is there a motion to enter the Order?

ACTING COMMISSIONER COLGAN: 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 is entered.

We will use this 5 to nothing vote for the remainder of today's Public Utility Agenda unless otherwise noted.

Item E-3 concerns a filing by MidAmerican to update its Rider 12, Nuclear Decommissioning Factor to retain the existing rate of zero cents per kilowatt hour. Staff recommends approving the Company's request by not suspending the
filing.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the filing will not be suspended.

Item E-3 is the remand of Docket No. 07-0566, ComEd's 2007 rate case. This item will be held for disposition at a future Commission Proceeding. I believe the deadline for that is February 23rd of 2012.

Item E-4 is Docket Nos. 11-0279 and 11-0282 consolidated. This is the rate cases for Ameren's electric and gas operations and before us today is the Company's motion to sever the electric docket from the gas docket and dismiss the electric proceeding. This matter will also be held for disposition at a future Commission proceeding.

Either ALJ Yoder or Albers, are there any public comments that we need to take mind of?

JUDGE ALBERS: Yes. We would just let you know
that yesterday and this morning the Commission received 256 letters asking the Commission to deny the motion to sever and terminate the electric docket.

CHAIRMAN SCOTT: Thank you.

Items E-5 and E-6 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 Yoder 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 E-7 is Docket No. 11-0713. This is AEP Energy Retail Partner's Application for a Certificate of Service Authority to operate as an alternative retail electric supplier. ALJ Wallace 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 Order is entered and the Certificate is granted.

Item E-8 is Docket No. 10-0732. This is Lou Kusay's complaint against Ameren concerning improper billing. ALJ Albers recommends entry of an Order denying Mr. Kusay's complaint.

Is there any discussion?
(No response.)

CHAIRMAN SCOTT: Any objections?
(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is entered and the complaint is denied.

Item E-9 is Docket No. 11-0308. This is April Hudson's billing complaint against ComEd. ALJ Riley recommends entry of an Order dismissing the proceeding without prejudice.

Is there any discussion?
(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is entered and the matter is dismissed.

Item E-10 is Docket No. 11-0366. This is Patricia Callion's complaint against ComEd. ALJ Sainsot recommends entry of an Order dismissing the proceeding with prejudice.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is entered and the matter is dismissed.

Item E-11 is Docket No. 11-0404. This is Kemberly Martin's complaint against ComEd. ALJ Sainsot recommends entry of an Order dismissing the complaint without prejudice for want of prosecution.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?
CHAIRMAN SCOTT: Hearing none, the Order is entered and the matter is dismissed.

Items E-12 and E-13 can be taken together. These items are customer complaints against ComEd. In each case the parties have apparently settled their differences and have brought a Joint Motion to Dismiss the matter, which the ALJ recommends we grant.

Is there any discussion?

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Joint Motions to Dismiss are granted.

Turning now to Natural Gas. Item G-1 concerns commencing reconciliation proceeding for various Illinois natural gas utilities concerning revenues collected under gas adjustment charges. Staff recommends entry of an Order commencing the proceedings.

Is there any discussion?
(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is entered.

Item G-2 is Docket No. 06-0346. This concerns a petition filed by Nicor in 2006 seeking confidential and/or proprietary treatment for its money pool activity report. ALJ Sainsot recommends dismissing the docket without prejudice.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the matter is dismissed.

Items G-3 and G-4 can be taken together. These items concern reconciliation proceeding for AmerenCILCO, an Illinois gas company, over revenues collected under gas adjustment charges. In each case ALJ Albers recommends entry of an Order approving the reconciliation.
Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Orders are entered.

Item G-5 is Docket No. 11-0046. This is the AGL-Nicor merger case and ALJ Gilbert recommends entry of an Order approving the reorganization subject to the conditions identified in the Appendix to the Order.

Commissioner O'Connell-Diaz, I believe you have some revisions you'd like to introduce here?

COMMISSIONER O'CONNELL-DIAZ: Thank you, Mr. Chairman.

First of all, I'd like to thank all the parties that were involved in this docket as well as Judge Gilbert for giving the Commission a clear record and a good Order. With that said, there's some changes -- three changes that I have proposed to enhance this Order. And this is to address some concerns relative to the fact that the Company that
is going to be the successor entity is, in fact, an
out-of-state company at this point in time. And in
order to, you know, keep things going forward in
Illinois, we felt it was -- or I should say, I felt
it was important to have these changes reflected in
the Order to ensure appropriate Illinois
representation.

The first change that I have proposed,
and it has been circulated among my colleagues, is
that we note that under the provisions of the Act the
Commission has a longstanding policy that we
courage Illinois-regulated entities to be involved
in the economic development and social programs in
our communities. And based on this rationale, the
Commission finds it reasonable and in fulfillment of
those goals that the Joint Applicants by committed to
maintaining Nicor Gas's proactive stance on economic
development within Illinois.

In furtherance of this requirement, we
direct that the Joint Applicants continue such
activities at a minimum level that Nicor Gas
currently commits to the various social and
charitable programs throughout the Illinois service territories.

Additionally, this does not presume the reasonableness of those expenses that would be put forth in a rate proceeding and they would go under the same scrutiny that would normally occur under the Section 9-227 analysis.

The second change has to do with the fact, again, that this Company's going to be -- certainly not -- you know, certainly within our purview, but they will be managed from a distance. And so what we have come up with -- or I should I have suggested to my colleagues -- is a direction to AGL that as long as it owns, controls or manages Nicor Gas or a successor entity, it shall have at least one non-employee individual resident of Illinois on AGL's Board of Directors. AGL shall have the sole discretion in selecting such qualified candidates. We find that this requirement will further satisfy the spirit and the goals of the provisions of the Act by ensuring that the AGL Board of Directors includes a member having firsthand
knowledge of the issues and concerns unique to Illinois utilities and their customers.

And the third and final requirement or condition is that in order that the Commission be apprised of the compliance of AGL of the many commitments that are reflected throughout the Order as well as Appendix A, the Commission directs that the CEO of AGL on an annual basis shall appear before the Commission to report on the status of its compliance with this Order.

And we have circulated this. I have had some good additions from the Chairman's Office with regard to the initial stab at this language, and I thank his Office for that. And so I would leave it to my colleagues to support these revisions. They would be reflected in the Appendix A as separate entries on that Appendix A. And those have been circulated to all the Commissioners.

Thank you.

CHAIRMAN SCOTT: Thank you, Commissioner.

Would you move then for adoption of the revisions?
COMMISSIONER O'CONNELL-DIAZ: I would move for the adoptions of these wonderful revisions.

CHAIRMAN SCOTT: I will second that motion.

Is there any further discussion on the revisions?

(No response.)

CHAIRMAN SCOTT: All in favor of the revisions say, Aye.

(Chorus of ayes.)

CHAIRMAN SCOTT: Any opposed?

(No response.)

CHAIRMAN SCOTT: The vote is 5 to nothing and Commissioner O'Connell-Diaz's revisions are adopted.

Is there any further discussion on this matter?

(No response.)

CHAIRMAN SCOTT: We'll move then to the Order as revised.

I'll move to adopt it. Is there a second?

COMMISSIONER FORD: 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 adopted.

And thank you to all the offices to the parties as well as to Judge Gilbert who -- I second what Commissioner O'Connell-Diaz said -- did a fine job on that for all the hard work. So thank you very much, Judge -- who's kind of hiding in the background. So thank you very much, Judge.

COMMISSIONER FORD: Thank you.

CHAIRMAN SCOTT: Moving on to Item G-6 is Docket Nos. 11-0280 and 11-0281 consolidated. This is the Peoples and North Shore Gas rate case. As previously noticed to the parties, we will be holding oral argument in this matter on Tuesday, December 13th at 1:15 p.m. in the Commission's Chicago offices.

Item G-7 is Docket No. 11-0679. This is Glacial National Gas's Application for a
Certificate of Service Authority to operate as an alternative gas supplier. ALJ Wallace 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 Order is entered and the Certificate is granted.

Item G-8 is Docket No. 11-0710. This concerns the Commission setting the return on equity for the proposed Leucadia Clean Cole Synthetic Natural Gas Facility. ALJ Wallace recommends that the Commission enter an Interim Order setting the base return on equity at 4.44 percent.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Interim Order is entered.

Moving now to Telecommunications.
Item T-1 concerns setting maximum rates and charges for operator service providers pursuant to Title 83 Section 770.40 sub (e) of the Administrative Code. Staff recommends entry of an Order setting new maximum rates.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Order is entered.

Items T-2 is Docket No. 10-0492. This is CAL Communication's Application for designation as an eligible telecommunications carrier. ALJ Riley recommends granting the Company's request to withdraw its application without prejudice.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objection?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Application is withdrawn.
Moving on to Water and Sewer. Item W-1 concerns Illinois-American Water Company's recent filing proposed increase in its water and sewer rates. Staff recommends entering a Suspension Order suspending the filing and setting the matter for hearings.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the Suspension Order is entered.

We have one miscellaneous item today. Item M-1 concerns consideration of a resolution adopting revised Forms 21 ILCC and 22 ILCC for annual reports. Staff recommends that the Commission adopt a resolution adopting these forms.

Is there any discussion?

(No response.)

CHAIRMAN SCOTT: Any objections?

(No response.)

CHAIRMAN SCOTT: Hearing none, the resolution
is adopted.

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

JUDGE WALLACE: No, that's all, Mr. Chairman.

CHAIRMAN SCOTT: Thank you, sir.

Hearing none, this meeting stands adjourned.

MEETING ADJOURNED