BEFORE THE

ILLINOIS COMMERCE COMMISSION

REGULAR OPEN MEETING

PUBLIC UTILITY

Tuesday, August 24, 2016

Chicago, Illinois

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

PRESENT:

BRIEN J. SHEAHAN, Chairman

ANN MCCABE, Commissioner

SHERINA E. MAYE EDWARDS, Commissioner

MIGUEL DEL VALLE, Commissioner

JOHN R. ROSALES, Commissioner

SULLIVAN REPORTING COMPANY, by
PATRICIA WESLEY
CSR NO. 084-002170
CHAIRMAN SHEAHAN: Good morning. Is everybody ready in Springfield?

COMMISSIONER MCCABE: Yes.

CHAIRMAN SHEAHAN: Pursuant to the Open Meeting Act, I call the August 24, 2016 Regular Open Meeting to order.

Commissioners del Valle, Edwards, and Rosales are present with me in Chicago. Commissioner McCabe is present in Springfield. We have a quorum. There's no public comments.

Moving on to the Public Utilities Agenda, there are edits to the Minutes of our July 21, 2016 Policy Session. There are no edits to the Minutes of the August 3rd Regular Open Meeting. There are edits to the Minutes of our August 9, 2016 Regular Open Meeting.

Are there any objections to approving the Minutes?

(No response.)

Hearing none, the Minutes are approved.

Items E-1 through E-3 concern various
consumer complaints against ComEd.

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

(No response.)

Hearing none, the Orders are approved.

Items E-4 through 9 concern Certificates to Install, Maintain or Repair Electric Charging Facilities.

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

(No response.)

Hearing none, the Orders are approved.

Items E-5 through 7 concern Certificates for Certification as an Installer of Distributed Generation Facilities.

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

(No response.)

Hearing none, the Orders are approved.
Item E-8 concerns RPA Energy's Application for a Certificate of Service Authority. Is there any objection to approving the proposed Order?

(No response.)

Hearing none, the proposed Order is approved.

COMMISSIONER MAYE EDWARDS: My apologies. My apologies Mr. Chairman, I may be confused. I think we did E-4 through 9 together. We didn't do the ones that were in-between that.

CHAIRMAN SHEAHAN: We did 5 through 7 and then 8.

COMMISSIONER MAYE EDWARDS: Actually you did E-9 earlier. My apologies.

CHAIRMAN SHEAHAN: Items E-10 through 11 concern Petitions for Confidential Treatment of certain reports.

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

(No response.)

Hearing none, the Orders are approved.
Item E-12 concerns a Petition for Interlocutory Review regarding Ameren's Pricing Annual Update Filing.

Is there a motion to deny the petition?

(No response.)

COMMISSIONER ROSALES: So moved.

CHAIRMAN SHEAHAN: Is there a second?

COMMISSIONER MAYE EDWARDS: Seconded.

CHAIRMAN SHEAHAN: Any discussion?

Commissioner del Valle.

COMMISSIONER del VALLE: Thank you, Mr. Chairman.

Last year, in Docket No. 15-0305, the Commission approved increases in Ameren's revenue requirements based on the sale of Ameren's generation units.

In this year's rate case, CUB and IIEC presented testimony that reexamined that sale of generation units and how it affects this year's revenue requirement.

Ameren suggests that this testimony engages in an impermissible collateral attack.
To be a collateral attack, however, the testimony would have to challenge the validity of the revenue requirement of Docket 15-0305 and suggest a refund. None of the stricken testimony does that.

The motion seeks to strike all testimony which suggests the Commission reconsider an issue -- that is, the sale of Ameren's generation units that caused an increase in last year's rates -- and how that affects the prudence and reasonableness of this year's revenue requirement.

Indeed, the two schedules, which were also stricken, only concern the revenue requirement for this docket and its test year and do not affect or challenge the revenue requirement approved in Docket 15-0305.

The fact that Ameren motions to strike all testimony concerning the issue suggests that Ameren is arguing that the Commission is precluded from considering how an issue affects the current test year's revenue requirement when that issue was considered in the previous rate case.

Substantial case law, however, is
clear in establishing that issue preclusion does not apply in Commission rate cases.

Because the stricken testimony clearly does not meet the definition of a collateral attack and the doctrine of issue preclusion does not apply, the ALJ's ruling should be reversed and the testimony should be restored in the record.

For that reason, I will be voting no.

CHAIRMAN SHEAHAN: Thank you.

Is there any further discussion?

Commissioner McCabe.

COMMISSIONER McCabe: Thank you.

I agree with CUB and IIEC that the Commission has the authority to review costs for prudence. Information on costs from prior years may even be helpful in such a review.

In their opposition, Ameren argues that the Formula Rate cases exist to verify the prudence of actual costs. I agree.

It's my understanding that the ALJ's Order striking portions of CUB Witness Gorman's testimony does not set a floor on Ameren Service
Company costs.

The costs of Shared Services Companies of Illinois utilities has been an issue in the past sometimes resulting in audits. The Commission should ensure that Shared Services entities are achieving their intended economies and providing services cost-effectively and efficiently. Shared Services costs have increased significantly.

I encourage the parties to thoroughly examine these costs and others in the record of this docket, and I will go along with the Commission.

CHAIRMAN SHEAHAN: Thank you,

Commissioner del Valle.

Anything further?

(No response.)

All those in favor of denying the petition, say aye.

(Chorus of ayes.)

Opposed, say nay.

COMMISSIONER McCabe: Nay.

COMMISSIONER del Valle: Nay.

CHAIRMAN SHEAHAN: The vote is 3 to 2 and the
Motion to Deny passes.

Item E-13 concerns Fortis Inc., and ITC Midwest Reorganization's Application.

Are there any objections to approving the proposed Orders?

(No response.)

Hearing none, the Orders are approved.

Item G-1 concerns --

JUDGE KIMBREL: Mr. Chairman, I'm sorry. I think Item 4 the proposed Order denied the application and I just want to make sure that was correct.

CHAIRMAN SHEAHAN: E-4?

JUDGE KIMBREL: Right.

CHAIRMAN SHEAHAN: Item 16-0049, EMF Electric Company's Application?

COMMISSIONER MAYE EDWARDS: I think that's what I was asking you about earlier.

CHAIRMAN SHEAHAN: Right, and the motion was to accept the proposed Order.

JUDGE KIMBREL: Okay.

CHAIRMAN SHEAHAN: Right.

COMMISSIONER MAYE EDWARDS: I think we should
probably do them separately because it's not the same motion.

CHAIRMAN SHEAHAN: Rather than -- oh, I'm sorry.

Okay.

Is there a motion to approve the proposed Order regarding E-4?

COMMISSIONER MAYE EDWARDS: So moved.

COMMISSIONER ROSALES: Seconded.

CHAIRMAN SHEAHAN: Any discussion?

(No response.)

All those in favor, say aye.

(Chorus of ayes.)

Opposed, say nay.

(No response.)

Thank you for pointing that out.

We are back to G-1 concerning Liberty Utilities' filing for a general increase in gas rates.

Is there any objection to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.
Items G-2 and 3 concern Reconciliation of Revenues under Nicor Gas Adjustment Charges with actual costs prudently incurred.

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

(No response.)

Hearing none, the Orders are approved.

Item G-4 and 5 concern consumer complaints.

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

(No response.)

Hearing none, the Orders are approved.

Item G-6 concerns repeal of Part 500 and Revision of Part 501 of the Administrative Code.

Are there any objections to approving the proposed Orders?

(No response.)

Hearing none, the Orders are approved.

Item G-7 concerns MidAmerican Energy's
Request for Approval of a Bond Issuance.

Are there any objections to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Item T-1 concerns ACN Communication Services' Petition for the Confidential Treatment of financial information.

Are there any objections to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Item T-2 concerns CereTel's Application for a Certificate of Prepaid Calling Service Provider Authority.

Any objections to approving the proposed Order?

(No response.)

Hearing none, the Order is approved.

Moving on to Item W-1, Water and Sewer agenda, Item W-1 concerns Aqua Illinois' Petition for Use of Eminent Domain Authority.
Are there any objections to approving
the proposed Order?

(No response.)

Hearing none, the Order is approved.

That concludes our Regular Agenda.

We have no Miscellaneous, Petitions for Rehearing, or other business.

Judge Kimbrel, do you have any other matters for us this morning?

JUDGE KIMBREL: No.

COMMISSIONER SHEAHAN: Any other matters to be raised before the Commissioners?

COMMISSIONER ROSALES: I do, Mr. Chairman. If I may, I would like to welcome Vanessa Gracia to the Illinois Commerce Commission team. Vanessa hails from DePaul University. I want to welcome her.

CHAIRMAN SHEAHAN: Very good.

Any other announcements or issues?

(No response.)

All right. Hearing none, we stand adjourned. Thank you.

(Whereupon, the above
matter was adjourned.)