



For Immediate Release
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ICC Officially Launches Overhaul of Peoples Gas Main Replacement Program

CHICAGO –The Illinois Commerce Commission today initiated a proceeding to formally investigate the cost, scope, schedule and other issues related to the Peoples Gas (the Company) natural gas system modernization program, formerly known as the Accelerated Main Replacement Program (AMRP).

“Today’s action marks the official beginning of an improved Peoples Gas main replacement program,” said Chairman Brien Sheahan. “The task ahead is critical to consumer reliability and safety. I’m confident the investigation, as contemplated by the Order issued today, will result in increased transparency and policies that lead to a better managed and more cost-effective program. I’d like to thank ICC Staff and all participating stakeholders for the hard work that led to this important next step.”

The action follows Commission-led efforts, including the December 2015 suspension of the former AMRP and a series of stakeholder workshops, to reevaluate the regulatory treatment of the Company’s gas system modernization program focused on replacing aging natural gas infrastructure in the City of Chicago. Along with the ICC and Peoples Gas, stakeholders involved in the workshop process included the Office of the Illinois Attorney General, the Gas Workers Union Local 18007, the Citizens Utility Board, the City of Chicago, and the Illinois Industrial Energy Consumers.

After hearing stakeholder recommendations on issues such as the program’s emphasis on safety and reliability, scope, schedule, cost forecasts and controls, and plans for measuring and monitoring progress, ICC Staff conducted an April 2016 Policy Session summarizing the six workshops and on May 31, 2016, presented to the Commission a comprehensive Staff Report. The Staff Report described in detail the positions of the various stakeholders, made recommendations for the scope of the proceeding commenced today, and identified program information that the Company is to report monthly to the Commission until the investigation is completed in early 2017.

Among other things, today’s action requires:

- A proceeding under the Public Utilities Act to investigate the cost, scope, schedule and other issues related to the Peoples Gas Light and Coke Company’s natural gas system modernization program and the establishment of program policies and practices consistent with the May 31, 2016 Staff Report;
- Within 30 days, Peoples Gas is required to provide the Commission with a plan for the gas system modernization program;

- Within 30 days, Peoples Gas is also required to provide the Commission with a preliminary report for the 2016 construction season followed by monthly reports which include cost estimates for program work to be conducted, until a final order is issued in the docketed proceeding; and
- The development of near and long-term reporting and monitoring of the program based on the outcome of the Commission's investigation.

Today's order, as well as the May 31, 2016, Staff Report, can be found by viewing Docket number 16-0376 via the Commission's eDocket system [here](#).

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About the Illinois Commerce Commission

The Illinois Commerce Commission's mission is to pursue an appropriate balance between the interests of consumers and existing and emerging service providers to ensure the provision of adequate, efficient, reliable, safe and least-cost public utility services. The Commission pursues this mission through three bureaus: The Bureau of External Affairs, which provides educational information on utility issues for consumers, governmental entities and communities and through its Consumer Services Division, resolves customer/utility disputes and develops rules on utility service and consumer protection; the Public Utilities Bureau, which focuses on financial and operational analysis, policy development, public safety and enforcement activities related to electric, natural gas, water, sewer and telecommunications companies; and the Transportation Bureau, which includes trucking insurance and registration, railroad safety, relocation towing, safety towing and household goods moving company enforcement activities. The ICC's five commissioners are appointed by the Governor and approved by the Illinois State Senate for five-year terms.