

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2007

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2007

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STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2007

**AGENCY OFFICIALS**

Chairman	Charles Box (effective 1/10/06)
Chairman	Martin R. Cohen (9/22/05 to 11/7/05)
Chairman	Edward Hurley (until 9/22/05)
Commissioner	Lula M. Ford
Commissioner	Erin O'Connell-Diaz
Commissioner	Kevin Wright (until 2/14/07)
Commissioner	Robert R. Lieberman
Executive Director	Timothy J. Anderson (effective 7/31/06)
Interim Executive Director	Gene C. Beyer (8/3/05 to 7/28/06)
Executive Director	Scott D. Wiseman (until 8/2/05)
Bureau Chief Planning and Operations	Kenneth E. Hundrieser (effective 2/1/06)
Interim Bureau Chief Planning and Operations	Kenneth E. Hundrieser (until 1/31/06)
Director of Administrative Services	Jane Fields
Fiscal Officer	Sue McCormick
General Counsel	Mary Stephenson-Schroeder
Chief Internal Auditor	Jane Hughes-Jackson

Agency offices are located at:

527 E. Capitol Avenue  
Springfield, Illinois 62794

160 N. La Salle  
Suite C-800  
Chicago, Illinois 60601

The Police Station is located at:

477 S. River Road  
Des Plaines, Illinois 60016



## ILLINOIS COMMERCE COMMISSION

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Honorable William G. Holland  
Auditor General  
Iles Park Plaza  
740 E. Ash  
Springfield, IL 62703-3154

May 9, 2008

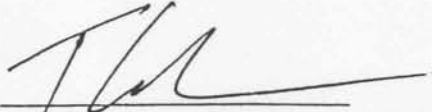
Dear Mr. Holland:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Illinois Commerce Commission. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Illinois Commerce Commission's compliance with the following assertions during the two-year period ended June 30, 2007. Based on this evaluation, we assert that during the year(s) ended June 30, 2006 and June 30, 2007, the Illinois Commerce Commission has materially complied with the assertions below.

- A. The Illinois Commerce Commission has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Illinois Commerce Commission has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Illinois Commerce Commission has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Illinois Commerce Commission are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Illinois Commerce Commission on behalf of the State or held in trust by the Illinois Commerce Commission have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

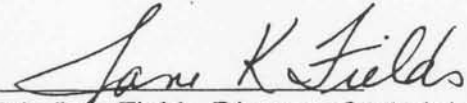
Yours very truly,

Illinois Commerce Commission



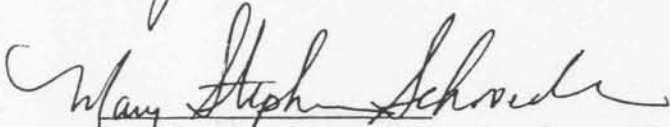
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Mr. Tim Anderson, Executive Director



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Ms. Jane Fields, Director of Administrative Services



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Ms. Mary Stephenson-Schroeder, General Counsel

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2007

**COMPLIANCE REPORT**

**SUMMARY**

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

**ACCOUNTANTS' REPORT**

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

**SUMMARY OF FINDINGS**

<u>Number of</u>	<u>This Report</u>	<u>Prior Report</u>
Findings	6	9
Repeated findings	3	3
Prior recommendations implemented or not repeated	6	4

Details of findings are presented in a separately tabbed report section.

**SCHEDULE OF FINDINGS**

<u>Item No.</u>	<u>Page</u>	<u>Description</u>
FINDINGS (STATE COMPLIANCE)		
07-1	9	Noncompliance with expenditure allocation requirements
07-2	11	Required information not timely reported
07-3	13	Utility cost recovery
07-4	14	Employee evaluations not completed timely
07-5	15	No program in place to monitor telecommunications subscribers
07-6	16	Inadequate support for receipt transactions

PRIOR FINDINGS NOT REPEATED (STATE COMPLIANCE)

07-7	18	Efficiency Initiative Payments
07-8	18	Expenditures from the Transportation Regulatory Fund
07-9	18	Required annual reports not timely filed
07-10	18	Inadequate policies for tax return and receipt processing
07-11	19	Inadequate administrative rules and violation of the Public Utilities Act and the Open Meetings Act
07-12	19	Failure to certify the amount of required funding for the Accessible Electronic Information Act

**PRIOR MANAGEMENT AUDIT**

In addition to the State compliance findings listed above, the Commission was subject to the *Management Audit of the Expenditures from the Grade Crossing Protection Fund*, released in November 2003. The current status of each of the management audit recommendations from that audit is included on page 20 of this report.

**EXIT CONFERENCE**

The findings and recommendations appearing in this report were discussed with Commission personnel at an exit conference on April 16, 2008. Participating were:

Illinois Commerce Commission

Timothy Anderson, Executive Director  
Jodie Hovey, Assistant to the Executive Director  
Jane Hughes-Jackson, Internal Auditor  
Aaron Rife, Assistant Internal Auditor  
Jane Fields, Administrative Services Director  
Gene Beyer, Bureau of Public Utilities Director  
Shauna Kelley, Bureau of Transportation Director  
Charles Box, Chairman

Office of the Auditor General

Lisa Warden, Audit Manager  
Jessica Olive, Audit Supervisor  
Heather York, Auditor

Responses to the recommendations were provided by Jane Hughes-Jackson in correspondence dated April 30, 2008.

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OFFICE OF THE AUDITOR GENERAL  
WILLIAM G. HOLLAND

**INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE,  
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON  
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

Honorable William G. Holland  
Auditor General  
State of Illinois

**Compliance**

We have examined the Illinois Commerce Commission's compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (*Audit Guide*) as adopted by the Auditor General, during the two years ended June 30, 2007. The management of the Illinois Commerce Commission is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Illinois Commerce Commission's compliance based on our examination.

- A. The Illinois Commerce Commission has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Illinois Commerce Commission has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Illinois Commerce Commission has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. State revenues and receipts collected by the Illinois Commerce Commission are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Illinois Commerce Commission on behalf of the State or held in trust by the Illinois Commerce Commission have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.



inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings as findings 07-1, 07-2, 07-3, 07-4, 07-5 and 07-6 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented or detected by the entity's internal control. We did not consider any of the deficiencies described in the accompanying Schedule of Findings to be material weaknesses.

As required by the *Audit Guide*, immaterial findings relating to internal control deficiencies excluded from this report have been reported in a separate letter.

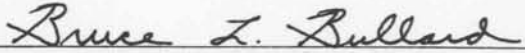
The Illinois Commerce Commission's response to the findings identified in our examination are described in the accompanying Schedule of Findings. We did not examine the Illinois Commerce Commission's response and, accordingly, we express no opinion on it.

#### **Supplementary Information for State Compliance Purposes**

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the *Audit Guide* as adopted by the Auditor General to the 2006 and 2007 Supplementary Information for State Compliance Purposes, except for the Memorandums of Understanding and Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2005 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, agency management and the agency's governing board and is not intended to be and should not be used by anyone other than these specified parties.

  
Bruce L. Bullard, CPA  
Director of Financial and Compliance Audits

May 9, 2008

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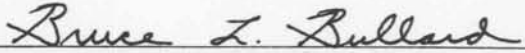
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Bruce L. Bullard, CPA  
Director of Financial and Compliance Audits

May 9, 2008

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**CURRENT FINDINGS (STATE COMPLIANCE)**  
For the Two Years Ended June 30, 2007

07-1. **FINDING** (Noncompliance with expenditure allocation requirements)

The Illinois Commerce Commission (Commission) did not properly allocate salary expenditures or timely complete time studies for charges to the Transportation Regulatory Fund (TRF). During our testing we noted the following deficiencies:

- The Commission failed to properly allocate the Bureau of Planning and Operations' (BPO) FY07 salaries to the TRF. The Commission performed a semi-annual time study to determine the percentage of BPO shared expenses and salaries to be allocated to the TRF. These time studies determined 30% of shared expenses and salaries should be charged to the TRF. However, we noted the Commission charged 17% of BPO's salaries to the TRF. As a result, the Commission failed to allocate \$356,289 to the TRF for BPO salaries. The Illinois Commercial Transportation Law (Law) (625 ILCS 5/18c-1603 (2) (c)) states that the portion of total expenses (including BPO salaries) allocated to the TRF shall be the portion of staff time spent exclusively on administration and enforcement of the Transportation Division based on a semi-annual time study.

Commission personnel stated that prior to the change in the Law for FY07, the statute allowed salaries for BPO to be allocated to the TRF in an amount not to exceed the calculated percentage. In addition, Commission personnel stated the lack of funding from the federal government for the TRF during FY07 did not allow for proper allocation of BPO salaries.

- One of 4 (25%) time studies was not compiled timely. The time study for October 2006 was not compiled until February 8, 2007, over 3 months later. The Law also requires a time study to be updated at least once each 6 months of the portion of staff time spent exclusively on administration and enforcement of transportation regulation. Commission personnel stated that the time study was not compiled timely due to oversight.

Failure to properly allocate expenditures could result in funds being expended in a way contrary to their intended purposes as indicated by the General Assembly. Failure to timely compile time studies does not provide staff with a current percentage allocation to use and could result in an incorrect allocation of expenditures to the TRF. (Finding Code No. 07-1)

**RECOMMENDATION**

We recommend the Commission correctly allocate expenditures to the Transportation Regulatory Fund and complete semi-annual time studies timely as required by State statute.

## **COMMISSION RESPONSE**

The Commission agrees that the amount of salaries allocated to the Transportation Regulatory Fund (TRF) was less than the allocation percentage derived from the semi-annual time study. The primary reason for this under allocation was due to a cash shortage in the TRF. On December 31, 2006, the Single State Registration System (SSRS), which generated approximately \$3,500,000 annually, was eliminated and the Federally-mandated, state-administered Unified Carrier Registration (UCR) Program didn't go into effect until September 10, 2007 leaving no mechanism in place to collect funds for approximately 9 months. Funds were not available before the end of lapse period to facilitate the transfer. The implementation of the new UCR Program has resolved this situation. In addition, future time studies will be compiled on a timely basis.

07-2. **FINDING** (Required information not timely reported)

The Illinois Commerce Commission (Commission) did not timely certify required information, post consumer rights, or file annual reports. We noted the following:

- The Commission did not certify the amount of funding to be paid out of the Digital Divide Elimination Infrastructure Fund with the State Treasurer timely. The certification letter to the State Treasurer was not sent until July 12, 2006. The certification letter was 12 calendar days late. The Accessible Electronic Information Act (Act) (15 ILCS 323/20) states that before July 1 of each year, the Commission, in consultation with the State Librarian, shall determine the amount of funding to support the program during the next fiscal year and shall certify that amount to the State Treasurer. Commission personnel stated that the Commission, in consultation with the Secretary of State, determined the amount to certify timely; however, due to oversight, the certification letter was not sent timely.
- The Commission did not post the Customer Bill of Rights for Water and Sewer Customers on its Internet website until November 14, 2006, 20 days late. The Public Utilities Act (Act) (220 ILCS 5/8-306) requires that no later than 120 days after the statute effective date of June 27, 2006, the Commission shall make available on its Internet website information concerning the service obligations of water and sewer utilities and remedies that a customer may pursue for a violation of the customer's rights. Commission personnel stated that the Bill of Rights was not posted on the Commission's Internet web site timely due to the complexity of this first time requirement that involved consultation with outside agencies and due to the limited time to complete the project.
- The Commission failed to file the FY06 Competition in Illinois Retail Electric Markets in 2005 report (report) timely with the General Assembly. The report was filed on May 24, 2006 which was 53 days late. The Public Utilities Act (Act) (220 ILCS 5/16-120) states that this report is to be filed by April 1. Commission personnel stated there were difficulties in obtaining the appropriate documents for this report. The Commission was unable to complete the report in a timely fashion and hence was unable to file it with the General Assembly before the April 1<sup>st</sup> deadline.
- The Commission filed its FY06 and FY07 Emission Allowance Reports with the General Assembly 17 and 27 days late, respectively. The Public Utilities Act (Act) (220 ILCS 5/4-304, 305) requires the Commission to include information relating to the acquisition or sale of emission allowances in the annual report, which is due by January 31 of each year. Commission personnel stated that the annual report involves a lengthy process that makes it difficult for the report to be submitted in a timely manner.

Failure to timely file the required reports does not provide timely information to users who rely on those reports. (Finding Code No. 07-2)

## **RECOMMENDATION**

We recommend that the Commission establish a control system to ensure future certifications, consumer information, and reports are filed timely.

## **COMMISSION RESPONSE**

- Certification of Digital Divide Elimination Infrastructure Fund: The Commission agrees that although the amount was determined and agreed to with the Secretary of State's Office, the certification of the amount of funding to be paid out of the Digital Divide Elimination Fund was not filed with the State Treasurer by the July 1<sup>st</sup> due date. In the future, this certification will be filed with the State Treasurer on a timely basis.
- Customer Bill of Rights for Water and Sewer Customers posted to web site: The Commission stated that this was a one-time assignment. Any updates, if required, will easily be done in a timely manner.
- FY06 Competition in Illinois Retail Electric Markets in 2005: The Commission stated that the requirement for the annual report, noted in this finding, ended in 2006; the report is no longer mandated. The requirement for the triennial report continues, and the Commission intends to always complete that report in a timely manner in accordance with the law.
- FY06 & FY07 Emission Allowance Reports: The Commission will contact public utilities and public utility affiliates that own an electric generating station and will ensure the emission allowance information is received in a timely manner. The emission allowance information is included with the Commission's annual report compiled and filed pursuant to PUA Section 4-304. That report involves a lengthy process that makes it difficult for the larger report to be submitted in a timely manner. It is the Commission's intent to continue to improve its response to the due date as set forth in the law.

07-3 **FINDING** (Utility cost recovery)

The Illinois Commerce Commission (Commission) has not established rules to be utilized in evaluating how utilities are to recover and allocate costs incurred from the construction of generation or production facilities which have been cancelled.

The Public Utilities Act (Act) (220 ILCS 5/9-216) states that the Commission shall establish policies and procedures which shall be utilized in evaluating and deciding any requests for the recovery and allocation of reasonable and prudent costs incurred in the construction of generation or production facilities which have been cancelled.

Commission officials stated that the establishment of these rules is not necessary at this time because of the fundamental changes in the electric market including a lack of construction activity in regulated generation and production facilities. Further, management stated that if a utility company begins construction of a new facility, the Commission would have several years to draft and adopt rules as required by the Act. Commission officials also stated they have attempted several times to have the Act changed, including the filing of Senate Bill 2583 on January 20, 2006 which repealed this section, but the bill did not come to a vote. Management stated they discussed the issue in subsequent years with legislators, but there was no interest in amending the mandate.

Establishment of utility cost recovery rules is necessary to help the Commission recover and allocate costs effectively and efficiently if construction of a generation or production facility is cancelled. Failure to establish such rules or to seek repeal of such statutory provisions constitutes noncompliance with the Act. (Finding Code No. 07-3, 05-4, 03-3)

**RECOMMENDATION**

We recommend that the Commission comply with the statutory mandate by promulgating the required rules or continue to seek legislation that would eliminate the requirement for the rules.

**COMMISSION RESPONSE**

Commission personnel stated that rules for a cancelled plant will only be necessary if an Illinois electric utility begins construction of a generating station. No generating stations have been built for several years and there are no known plans for construction of a generating facility by an Illinois electric utility. If an electric utility were to request a certificate to construct a generating station, the pre-construction stages combined with the actual construction provides the Commission with a multi-year head start on establishing rules. Nevertheless, the Commission has attempted several times to have the Act changed, including the filing of Senate Bill 2583 on January 20, 2006 which would have repealed this section, but the bill did not come to a vote. The Commission will continue to watch for opportunities to delete this requirement from the law, but, in the meantime, as stated above, if an electric utility were to petition the Commission for a construction certificate, the Commission would have more than enough time to establish rules.

07-4. **FINDING** (Employee evaluations not completed timely)

The Illinois Commerce Commission (Commission) did not complete annual employee performance evaluations timely.

The Commission did not complete annual evaluations for 10 of 25 (40%) employees tested during the period. One employee had not received an FY06 evaluation, five employees had not received an FY06 or FY07 evaluation and four employees had not received an FY07 evaluation. In addition, the Commission did not timely complete annual evaluations for 4 of 25 (16%) employees tested. Those employee evaluations were completed from 65 to 263 days late.

The Commission's Employee Manual Chapter 2, Section 4 states that supervisors should conduct employee evaluations on an annual basis at a minimum.

Personnel stated evaluations were not considered a priority by supervisors during the engagement period. Commission personnel further stated they were aware of the problem and have been taking steps to improve the timeliness of evaluations. In addition, personnel stated reminders were sent to supervisors and Bureau Chiefs reminding them of upcoming evaluations.

Performance evaluations are a systematic and uniform approach used for the development of employees and communication of performance expectations to employees. Performance evaluations should serve as a foundation for salary adjustments, promotion, demotion, discharge, layoff, recall and reinstatement decisions. (Finding Code No. 07-4, 05-6)

**RECOMMENDATION**

We recommend the Commission implement internal controls and monitor compliance to ensure performance evaluations are conducted annually as required by policy.

**COMMISSION RESPONSE**

The Commission will continue to strive to complete evaluations on a timely basis.



07-5. **FINDING** (No program in place to monitor telecommunications subscribers)

The Illinois Commerce Commission did not have a program in place throughout the engagement period to monitor the level of telecommunications subscriber connections within each exchange in Illinois. Therefore, an FY06 annual report with the results of such monitoring was not filed with the General Assembly, as required. The FY07 report was filed on September 13, 2007.

The Public Utilities Act (220 ILCS 5/13-301(b)) requires the Commission to establish a program to monitor the level of telecommunications subscriber connections within each exchange in Illinois. In addition, the Commission is required to include in its annual report to the General Assembly the results of such monitoring and any actions it has taken or recommended be taken to maintain and increase such levels.

Commission officials stated that due to competition in the telecommunications market, phone companies had resisted releasing information regarding the level of telecommunication subscribers in the past. Commission officials stated they were able to obtain this information in March 2007, but could not submit the first report to the General Assembly until September 2007 due to the time needed to prepare this report.

Failure to monitor the level of telecommunications subscriber connections within each exchange and failure to timely report such results to the General Assembly is noncompliance with a statutory mandate. (Finding Code No. 07-5, 05-9)

**RECOMMENDATION**

We recommend that the Commission continue to monitor the level of telecommunications subscriber connections within each exchange and timely report the results in its annual report to the General Assembly.

**COMMISSION RESPONSE**

The Commission will continue to work with telecom providers and the telecom associations to obtain, in a full and timely manner, what the companies identify as sensitive competitive information. Improvements in getting this information from the companies will allow the Commission to report the findings and analysis to the General Assembly in accordance with the timeframe established in the Public Utilities Act.

07-6. **FINDING** (Inadequate support for receipt transactions)

The Illinois Commerce Commission (Commission) did not adequately support receipt transactions where fees were waived, reduced or dismissed.

The Commission could not provide adequate supporting documentation for 9 of 25 (36%) administrative citations tested where fees were waived, reduced or dismissed (waived). Administrative citations are violations of any provision of the Illinois Commercial Transportation Law and can be waived, reduced or dismissed by an administrative law judge's ruling. The nine waived fees totaled \$5,207 and were lacking a formal ruling signed and dated by an administrative law judge. The total amount of waived fees during FY06 and FY07 was \$39,729.

The State Records Act requires agencies to establish and maintain a program for agency records management, which shall include effective controls over maintenance of records (5 ILCS 160/9). The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires that agencies establish and maintain a system of internal fiscal and administrative controls to provide assurance that revenues are properly recorded and accounted for to maintain accountability over the State's resources. These controls should include maintaining records to ensure all revenues due have been received and properly deposited.

Commission personnel stated that support could not be located for the waived fees due to having no formal procedures in place to trace the citations that were waived or reduced. However, personnel stated the Commission created procedures during early FY06 requiring a formal hearing to request that an administrative citation be waived or reduced. In addition, Commission personnel stated the filing system was not adequate and files could not be found.

Failure to maintain adequate supporting documentation for waived administrative citation fees increases the risk that errors and loss due to theft could occur and not be detected. (Finding Code No. 07-6)

**RECOMMENDATION**

We recommend that the Commission implement controls to ensure adequate documentation is maintained and readily available regarding waived administrative citation fees.

**COMMISSION RESPONSE**

The Commission has implemented additional documentation. At the conclusion of the Administrative Citations hearings, the Administrative Law Judge (ALJ) now is required to sign and date each and every page of the Administrative Citations disposition worksheets, indicating the amount of the fines assessed on each citation, and whether the fine was reduced or the citation was dismissed altogether. The Transportation Division Administrative Assistant, using the disposition worksheets, prepares Notices of Ruling/Disposition on each individual Administrative Citation, and each Notice of

Ruling/Disposition is signed by the Administrative Law Judge. The Transportation Division then serves hard paper copies of the Notices of Ruling/Disposition to each individual alleged violator. Commencing in April 2008, these Notices of Ruling/Disposition are now scanned and uploaded into the Commission Transportation Division Motor Carrier Information System (MCIS) computerized data information system.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**PRIOR FINDINGS NOT REPEATED (STATE COMPLIANCE)**  
For the Two Years Ended June 30, 2007

07-7. **PRIOR FINDING** (Efficiency Initiative Payments)

During the prior period, the Commission made payments for efficiency initiative billings from improper line item appropriations.

During the current period, the Commission did not make any efficiency initiative payments. (Finding Code No. 05-1)

07-8. **PRIOR FINDING** (Expenditures from the Transportation Regulatory Fund)

During the prior period, the Commission did not expend funds from the Transportation Regulatory Fund (TRF) in accordance with statutory requirements. Expenditure allocations were overcharged to the TRF, insufficient documentation was maintained to support expenditure allocations, and an inappropriate methodology was used for some calculations.

During the current period, the statutory language in the Illinois Commercial Transportation Law was revised to simplify the expenditure allocation methods beginning in FY07. During our sample testing for FY07, we noted no excessive expenditure allocations to the TRF, no lack of adequate documentation regarding expenditure allocations and no inappropriate methodologies for calculations. However, we noted certain other compliance issues as reported in Finding No. 07-1. (Finding Code No. 05-2)

07-9 **PRIOR FINDING** (Required annual reports not timely filed)

During the prior period, the Commission did not timely file the annual reports of expenditures to the General Assembly for the Transportation Regulatory Fund for FY04 and FY05; nor did they timely file the annual report of Accidents/Incidents Involving Hazardous Materials on Railroads in Illinois for FY03 and FY04.

During the current period, the Commission timely filed the FY07 annual reports of expenditures for the Transportation Regulatory Fund. In addition, the Commission timely filed the annual reports regarding Accidents/Incidents Involving Hazardous Materials on Railroads in Illinois. (Finding Code No. 05-3)

07-10. **PRIOR FINDING** (Inadequate policies for tax return and receipt processing)

During the prior period, the Commission did not have adequate policies and procedures for the processing of gross revenue tax returns and other receipts.

During the current period, the Commission implemented formal policies and procedures regarding receipts processing. (Finding Code No.05-5)

- 07-11. **PRIOR FINDING** (Inadequate administrative rules and violation of the Public Utilities Act and the Open Meetings Act)

During the prior period, the Commission's administrative rules contained a section that was inconsistent with gift provisions of the Public Utilities Act (Act). In addition, a luncheon meeting attended by two commissioners violated the Public Utilities Act and the Open Meetings Act.

During the current period, the Commission's administrative rules were revised to be consistent with gift provisions of the Public Utilities Act. In addition, we noted no instances of Commissioners violating the gift provisions of the Public Utilities Act. (Finding Code No. 05-7)

- 07-12. **PRIOR FINDING** (Failure to certify the amount of required funding for the Accessible Electronic Information Act)

During the prior period, the Commission did not determine and certify to the State Treasurer the amount of funding necessary to support the Accessible Electronic Information Service Program (Program) prior to July 1, 2005.

During the current period, the Commission determined and certified to the State Treasurer the amount of funding necessary to support the Accessible Electronic Information Service Program. (Finding Code No. 05-8)

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**CURRENT STATUS OF MANAGEMENT AUDIT RECOMMENDATIONS**  
For the Two Years Ended June 30, 2007

**PRIOR FINDINGS** (Management Audit of Expenditures from the Grade Crossing Protection Fund)

The Illinois Commerce Commission (Commission) had fully implemented five recommendations in prior engagement periods and in FY06/07 fully implemented the remaining two recommendations contained in the OAG's *Management Audit of the Expenditures from the Grade Crossing Protection Fund*, released in November 2003. The management audit examined the Grade Crossing project process, the amount and purpose of expenditures and transfers from the fund in fiscal years 2001 and 2002, and conformity of those expenditures and transfers with applicable statutes. The management audit was conducted pursuant to Legislative Audit Commission Resolution Number 123.

The following discusses the status of the recommendations from the 2003 management audit which were implemented during FY06/07. Actions taken by the Commission to implement the recommendations are also described below.

- 1. The Commission should assure that Grade Crossing Protection Fund projects are adequately managed. To do this, the expertise of Commission Railroad Safety Specialists should be utilized through on-site construction management to assure that the needed safety work is performed, that Order requirements are met, and that project expenditures are proper.**

*Implemented:* Commission management stated that as of January 2005 a final inspection is completed by Commission staff when a construction project is complete. We tested a sample of 10 completed construction projects and noted each had a final inspection report that was completed by Commission staff.

- 2. The Commission should assure that appropriate data is captured within computer systems to allow adequate management and timely completion of Grade Crossing Protection Fund Projects.**

*Implemented:* Commission personnel stated that the development of Railroad Information and Location System (RAILS 1.0) had been completed and fully implemented by the Rail Safety Section in November 2007.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
COMPLIANCE EXAMINATION  
For the Two Years Ended June 30, 2007

**SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES**

**SUMMARY**

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis:

- Schedule of Expenditures of Federal Awards
- Notes to the Schedule of Expenditures of Federal Awards
- Schedule of Appropriations, Expenditures and Lapsed Balances
- Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
- Schedule of Changes in State Property
- Comparative Schedule of Cash Receipts
- Reconciliation Schedule of Cash Receipts to Deposits Remitted to the State Comptroller
- Analysis of Significant Variations in Expenditures
- Analysis of Significant Variations in Receipts
- Analysis of Significant Lapse Period Spending
- Analysis of Accounts Receivable
- Schedule of Indirect Cost Reimbursements

- Analysis of Operations:

- Agency Functions and Planning Program
- Average Number of Employees
- Emergency Purchases
- Memorandums of Understanding (Not Examined)
- Service Efforts and Accomplishments (Not Examined)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General, except for information on the Memorandums of Understanding and Service Efforts and Accomplishments on which they did not perform any procedures. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Two Years Ended June 30, 2007  
(Amounts Expressed in Thousands)

**Fiscal Year 2007**

**Public Utility Fund - 059**

<u>Grantor Agency</u>	<u>Program Title</u>	<u>CFDA No.</u>	<u>Federal Expenditures</u>
U.S. Department of Transportation - Pipeline and Hazardous Materials Safety Administration	Pipeline Safety	20.700	\$ 468
U.S. Department of Transportation - Pipeline and Hazardous Materials Safety Administration	Pipeline Safety (One Call Project)	20.700	55

**Federal Grants Fund - 379**

U.S. Department of Transportation - Federal Railroad Administration	Railroad Safety (Public Education and Enforcement Research Study)	20.301	\$ 495
<b>Total Fiscal Year 2007 Federal Expenditures</b>			<u><u>\$ 1,018</u></u>

**Fiscal Year 2006**

**Public Utility Fund - 059**

<u>Grantor Agency</u>	<u>Program Title</u>	<u>CFDA No.</u>	<u>Federal Expenditures</u>
U.S. Department of Transportation - Pipeline and Hazardous Materials Safety Administration	Pipeline Safety	20.700	\$ 503
U.S. Department of Transportation - Pipeline and Hazardous Materials Safety Administration	Pipeline Safety (One Call Project)	20.700	36
<b>Total Fiscal Year 2006 Federal Expenditures</b>			<u><u>\$ 539</u></u>

Note: The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this sched



STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Two Years Ended June 30, 2007

**NOTE 1 - Significant Accounting Policies**

**A. Basis of Presentation**

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Illinois Commerce Commission (Commission) for the years ended June 30, 2006 and June 30, 2007.

**B. Basis of Accounting**

The Schedule of Expenditures of Federal Awards is prepared on the modified accrual basis of accounting.

**C. Programs**

All federal award programs have been included in the Schedule of Expenditures of Federal Awards. The Commission also receives grant awards funded by the State of Illinois. These funds are not included in the Schedule of Expenditures of Federal Awards.

None of the federal awards received by the Commission are for major programs to the State of Illinois.

**NOTE 2 - Description of Grant Programs**

The following is a brief description of the significant grant programs included in the Schedule of Expenditures of Federal Awards:

**A. U.S. Department of Transportation**

Pipeline Safety – CFDA No. 20.700

This grant was awarded to the Commission to enforce safety standards for the transportation of natural and other gas by pipeline. This grant funds a portion of the cost for the Commission to conduct on-site inspections of 113 gas operators every two years in the State of Illinois to determine compliance with all applicable federal and/or State pipeline safety regulations. In addition, this grant will allow the Commission to monitor all noncompliance through follow-up inspections, informal hearings, show cause actions, or civil penalties.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
For the Two Years Ended June 30, 2007

**A. U.S. Department of Transportation (Continued)**

Pipeline Safety (One Call Grant) – CFDA No. 20.700

This grant was awarded to the Commission to enforce the Illinois Underground Utility Facilities Damage Prevention Act. This grant funded the development of computer software to track enforcement investigations and resolutions of cases. In addition, the grant was used for hiring a part-time investigator and costs associated with investigations. The Commission also plans to use this grant for enforcement and training costs.

Railroad Safety (Public Education and Enforcement Research Study) – CFDA No. 20.301

This grant was awarded to the Commission to develop, implement and test a core highway-rail grade crossing safety program based on education and enforcement, which could be easily adaptable to numerous communities. All monies received were passed through various Illinois communities based on approved project proposals.

**NOTE 3 - Pass Through and Subrecipient Awards**

The Commission did not receive any pass-through funds. The Commission provided amounts to subrecipients as listed on the accompanying Schedule of Expenditures of Federal Awards.

**NOTE 4 - Noncash Awards**

The Commission did not receive any noncash awards.

**NOTE 5 - Cash Returned to Grantor**

The Commission did not return any cash to grantors during the examination period.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2007

P.A. 094 - 0798 FISCAL YEAR 2007	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>APPROPRIATED FUNDS</b>					
<b>Transportation Regulatory Fund - 018</b>					
<b>Chairman and Commissioners (Division 20)</b>					
Personal Services	\$ 84,000	\$ 46,781	\$ 34,915	\$ 81,696	\$ 2,304
State Contribution to State Employees' Retirement System	9,700	5,403	4,036	9,439	261
State Contributions to Social Security	6,400	3,517	2,627	6,144	256
Group Insurance	14,500	148	106	254	14,246
Contractual Services	400	150	-	150	250
Travel	2,100	1,044	1,030	2,074	26
Equipment	5,800	-	-	-	5,800
Telecommunications	7,200	1,432	776	2,208	4,992
Operation of Automotive Equipment	1,100	728	196	924	176
<b>Total Division 20</b>	<b>\$ 131,200</b>	<b>\$ 59,203</b>	<b>\$ 43,686</b>	<b>\$ 102,889</b>	<b>\$ 28,311</b>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2007

P.A. 094 - 0798 FISCAL YEAR 2007	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>Transportation Regulatory Fund - 018 (Continued)</b>					
<b>Transportation (Division 40)</b>					
Personal Services	\$ 4,772,500	\$ 3,720,328	\$ 380,845	\$ 4,101,173	\$ 671,327
State Contribution to State					
Employees' Retirement System	550,000	429,059	43,912	472,971	77,029
State Contributions to Social Security	365,100	241,939	26,635	268,574	96,526
Group Insurance	1,000,500	720,052	73,474	793,526	206,974
Contractual Services	634,400	288,333	139,151	427,484	206,916
Travel	177,100	79,504	4,132	83,636	93,464
Commodities	20,000	10,621	1,399	12,020	7,980
Printing	20,000	12,966	-	12,966	7,034
Equipment	109,400	4,179	69,063	73,242	36,158
Electronic Data Processing	376,200	137,848	43,201	181,049	195,151
Telecommunications	372,900	72,285	74,656	146,941	225,959
Operation of Automotive Equipment	130,200	71,246	28,231	99,477	30,723
Railroad Crossing Improvement Initiatives	600,000	202,078	73,701	275,779	324,221
Single State Insurance Registration Program	7,000,000	339,819	-	339,819	6,660,181
Refunds	25,000	2,799	99	2,898	22,102
<b>Total Division 40</b>	<u>\$ 16,153,300</u>	<u>\$ 6,333,056</u>	<u>\$ 958,499</u>	<u>\$ 7,291,555</u>	<u>\$ 8,861,745</u>
<b>Total Transportation Regulatory Fund</b>	<u>\$ 16,284,500</u>	<u>\$ 6,392,259</u>	<u>\$ 1,002,185</u>	<u>\$ 7,394,444</u>	<u>\$ 8,890,056</u>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2007

P.A. 094 - 0798 FISCAL YEAR 2007	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>Public Utility Fund - 059</b>					
<b>Chairman and Commissioner's Office (Division 20)</b>					
Personal Services	\$ 810,000	\$ 604,948	\$ (13,216) *	\$ 591,732	\$ 218,268
State Contribution to State					
Employees' Retirement System	93,200	69,770	(1,532) *	68,238	24,962
State Contributions to Social Security	62,000	45,118	(1,022) *	44,096	17,904
Group Insurance	174,000	107,200	4,204	111,404	62,596
Contractual Services	22,700	13,656	-	13,656	9,044
Travel	64,900	37,249	3,747	40,996	23,904
Commodities	2,100	51	-	51	2,049
Equipment	2,300	-	-	-	2,300
Telecommunications	20,000	12,000	2,732	14,732	5,268
Operation of Automotive Equipment	800	795	-	795	5
<b>Total Division 20</b>	<b><u>\$ 1,252,000</u></b>	<b><u>\$ 890,787</u></b>	<b><u>\$ (5,087)</u></b>	<b><u>\$ 885,700</u></b>	<b><u>\$ 366,300</u></b>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

\* Negative lapse amounts were due to expenditure transfers to the appropriate fund.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2007

P.A. 094 - 0798 FISCAL YEAR 2007	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>Public Utility Fund - 059 (Continued)</b>					
<b>Public Utilities (Division 30)</b>					
Personal Services	\$ 14,010,000	\$ 12,417,462	\$ 348,143	\$ 12,765,605	\$ 1,244,395
State Contribution to State					
Employees' Retirement System	1,611,200	1,432,823	39,707	1,472,530	138,670
State Contributions to Social Security	1,071,800	913,884	25,388	939,272	132,528
Group Insurance	3,045,000	2,420,186	65,418	2,485,604	559,396
Contractual Services	1,560,000	1,232,333	(32,861) *	1,199,472	360,528
Travel	240,000	110,821	8,955	119,776	120,224
Commodities	46,700	17,469	7,654	25,123	21,577
Printing	35,500	13,321	1,020	14,341	21,159
Equipment	110,000	4,215	93,689	97,904	12,096
Electronic Data Processing	841,800	526,262	104,967	631,229	210,571
Telecommunications	470,000	280,105	140,000	420,105	49,895
Operation of Automotive Equipment	55,000	31,528	8,481	40,009	14,991
Refunds	17,000	798	-	798	16,202
<b>Total Division 30</b>	<u>\$ 23,114,000</u>	<u>\$ 19,401,207</u>	<u>\$ 810,561</u>	<u>\$ 20,211,768</u>	<u>\$ 2,902,232</u>
<b>Total Public Utility Fund</b>	<u>\$ 24,366,000</u>	<u>\$ 20,291,994</u>	<u>\$ 805,474</u>	<u>\$ 21,097,468</u>	<u>\$ 3,268,532</u>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

\* Negative lapse amounts were due to expenditure transfers to the appropriate fund.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2007

P.A. 094 - 0798 FISCAL YEAR 2007	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>Underground Utility Facilities Damage Prevention Fund - 127</b>					
Statewide One-call Notice System	\$ 74,000	\$ 45,125	\$ -	\$ 45,125	\$ 28,875
Refunds	1,000	-	-	-	1,000
<b>Total Underground Utility Facilities Damage Prevention Fund</b>	<b>\$ 75,000</b>	<b>\$ 45,125</b>	<b>\$ -</b>	<b>\$ 45,125</b>	<b>\$ 29,875</b>
<b>Capital Development Fund - 141</b>					
Train Whistle Abatement	\$ 393,985	\$ 319,710	\$ -	\$ 319,710	\$ 74,275
<b>Total Capital Development Fund</b>	<b>\$ 393,985</b>	<b>\$ 319,710</b>	<b>\$ -</b>	<b>\$ 319,710</b>	<b>\$ 74,275</b>
<b>Wireless Service Emergency Fund - 612</b>					
Grants to Emergency Telephone System Boards, Qualified Government Entities, or Department of State Police	\$ 42,900,000	\$ 38,309,748	\$ 3,533,845	\$ 41,843,593	\$ 1,056,407
<b>Total Wireless Service Emergency Fund</b>	<b>\$ 42,900,000</b>	<b>\$ 38,309,748</b>	<b>\$ 3,533,845</b>	<b>\$ 41,843,593</b>	<b>\$ 1,056,407</b>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2007

P.A. 094 - 0798 FISCAL YEAR 2007	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>Wireless Carrier Reimbursement Fund - 613</b>					
Reimbursement of Wireless Carrier	\$ 27,500,000	\$ 10,154,182	\$ 11,668,073	\$ 21,822,255	\$ 5,677,745
<b>Total Wireless Carrier Reimbursement Fund</b>	<u>\$ 27,500,000</u>	<u>\$ 10,154,182</u>	<u>\$ 11,668,073</u>	<u>\$ 21,822,255</u>	<u>\$ 5,677,745</u>
<b>Digital Divide Elimination Infrastructure Fund - 771</b>					
Construction of High-Speed Data Transmission Facilities	\$ 5,000,000	\$ 986,846	\$ 2,332	\$ 989,178	\$ 4,010,822
<b>Total Digital Divide Elimination Infrastructure Fund</b>	<u>\$ 5,000,000</u>	<u>\$ 986,846</u>	<u>\$ 2,332</u>	<u>\$ 989,178</u>	<u>\$ 4,010,822</u>
<b>GRAND TOTAL, ALL APPROPRIATED FUNDS</b>	<u>\$116,519,485</u>	<u>\$ 76,499,864</u>	<u>\$ 17,011,909</u>	<u>\$ 93,511,773</u>	<u>\$ 23,007,712</u>
NON-APPROPRIATED FUND					
<b>Federal Grants Trust Fund - 379</b>					
Federal Railroad Association Grant		\$ 495,097	\$ -	\$ 495,097	
<b>Total Federal Grants Trust Fund</b>		<u>\$ 495,097</u>	<u>\$ -</u>	<u>\$ 495,097</u>	
<b>GRAND TOTAL, ALL FUNDS</b>		<u>\$ 76,994,961</u>	<u>\$ 17,011,909</u>	<u>\$ 94,006,870</u>	

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.



STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2006

P.A. 094 - 0015 FISCAL YEAR 2006	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>APPROPRIATED FUNDS</b>					
<b>Transportation Regulatory Fund - 018</b>					
<b>Chairman and Commissioners (Division 20)</b>					
Personal Services	\$ 77,200	\$ 68,875	\$ 6,683	\$ 75,558	\$ 1,642
Employee Retirement					
Contributions Paid by Employer	100	-	-	-	100
State Contribution to State					
Employees' Retirement System	6,000	5,377	522	5,899	101
State Contributions to Social Security	5,900	5,199	503	5,702	198
Group Insurance	13,800	198	19	217	13,583
Contractual Services	400	-	-	-	400
Travel	2,100	-	271	271	1,829
Equipment	5,800	-	3,100	3,100	2,700
Telecommunications	7,200	2,779	973	3,752	3,448
Operation of Automotive Equipment	1,100	-	-	-	1,100
<b>Total Division 20</b>	<b>\$ 119,600</b>	<b>\$ 82,428</b>	<b>\$ 12,071</b>	<b>\$ 94,499</b>	<b>\$ 25,101</b>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2006

P.A. 094 - 0015 FISCAL YEAR 2006	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>Transportation Regulatory Fund - 018 (Continued)</b>					
<b>Transportation (Division 40)</b>					
Personal Services	\$ 4,597,300	\$ 3,917,692	\$ 181,522	\$ 4,099,214	\$ 498,086
Employee Retirement					
Contributions Paid by Employer	114,300	25,628	-	25,628	88,672
State Contribution to State					
Employees' Retirement System	358,200	305,714	14,371	320,085	38,115
State Contributions to Social Security	356,200	254,387	10,689	265,076	91,124
Group Insurance	924,600	829,544	36,096	865,640	58,960
Contractual Services	534,400	386,460	30,616	417,076	117,324
Travel	132,500	77,468	9,774	87,242	45,258
Commodities	35,500	16,680	453	17,133	18,367
Printing	27,800	13,155	1,398	14,553	13,247
Equipment	116,000	6,382	91,561	97,943	18,057
Electronic Data Processing	405,300	116,969	68,272	185,241	220,059
Telecommunications	385,900	152,147	181,877	334,024	51,876
Operation of Automotive Equipment	131,900	102,074	17,192	119,266	12,634
Single State Insurance Registration Program	7,000,000	6,283,552	79,340	6,362,892	637,108
Refunds	25,000	6,338	1,420	7,758	17,242
<b>Total Division 40</b>	<b>\$ 15,144,900</b>	<b>\$ 12,494,190</b>	<b>\$ 724,581</b>	<b>\$ 13,218,771</b>	<b>\$ 1,926,129</b>
<b>Total Transportation Regulatory Fund</b>	<b>\$ 15,264,500</b>	<b>\$ 12,576,618</b>	<b>\$ 736,652</b>	<b>\$ 13,313,270</b>	<b>\$ 1,951,230</b>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2006

P.A. 094 - 0015 FISCAL YEAR 2006	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>Public Utility Fund - 059</b>					
<b>Chairman and Commissioner's Office (Division 20)</b>					
Personal Services	\$ 712,100	\$ 523,663	\$ 26,778	\$ 550,441	\$ 161,659
Employee Retirement					
Contributions Paid by Employer	100	73	-	73	27
State Contribution to State					
Employees' Retirement System	55,500	40,819	2,087	42,906	12,594
State Contributions to Social Security	54,500	39,113	1,993	41,106	13,394
Group Insurance	165,600	106,694	5,402	112,096	53,504
Contractual Services	22,700	13,722	2,451	16,173	6,527
Travel	64,900	37,512	4,530	42,042	22,858
Commodities	2,100	180	-	180	1,920
Equipment	2,300	-	-	-	2,300
Telecommunications	20,000	12,074	1,159	13,233	6,767
Operation of Automotive Equipment	800	181	123	304	496
<b>Total Division 20</b>	<u>\$ 1,100,600</u>	<u>\$ 774,031</u>	<u>\$ 44,523</u>	<u>\$ 818,554</u>	<u>\$ 282,046</u>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2006

P.A. 094 - 0015 FISCAL YEAR 2006	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>Public Utility Fund - 059 (Continued)</b>					
<b>Public Utilities (Division 30)</b>					
Personal Services	\$ 12,412,000	\$ 10,830,073	\$ 473,982	\$ 11,304,055	\$ 1,107,945
Employee Retirement					
Contributions Paid by Employer	69,700	37,346	-	37,346	32,354
State Contribution to State					
Employees' Retirement System	967,000	893,578	38,879	932,457	34,543
State Contributions to Social Security	949,500	796,907	34,968	831,875	117,625
Group Insurance	2,815,200	2,351,801	100,877	2,452,678	362,522
Contractual Services	1,572,400	1,001,052	78,463	1,079,515	492,885
Travel	224,400	94,034	6,125	100,159	124,241
Commodities	46,700	15,850	932	16,782	29,918
Printing	50,500	16,641	21	16,662	33,838
Equipment	94,800	71,497	20,326	91,823	2,977
Electronic Data Processing	812,700	337,935	216,832	554,767	257,933
Telecommunications	455,000	289,494	37,124	326,618	128,382
Operation of Automotive Equipment	45,400	37,320	5,311	42,631	2,769
Electric Service Customer Choice and Rate Relief Law of 1997	1,781,200	812,980	67,677	880,657	900,543
Refunds	17,000	11,226	-	11,226	5,774
<b>Total Division 30</b>	<b>\$ 22,313,500</b>	<b>\$ 17,597,734</b>	<b>\$ 1,081,517</b>	<b>\$ 18,679,251</b>	<b>\$ 3,634,249</b>
<b>Total Public Utility Fund</b>	<b>\$ 23,414,100</b>	<b>\$ 18,371,765</b>	<b>\$ 1,126,040</b>	<b>\$ 19,497,805</b>	<b>\$ 3,916,295</b>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2006

P.A. 094 - 0015 FISCAL YEAR 2006	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>Underground Utility Facilities Damage Prevention Fund - 127</b>					
Statewide One-call Notice System	\$ 74,000	\$ 38,975	\$ -	\$ 38,975	\$ 35,025
Refunds	1,000	-	-	-	1,000
<b>Total Underground Utility Facilities Damage Prevention Fund</b>	<u>\$ 75,000</u>	<u>\$ 38,975</u>	<u>\$ -</u>	<u>\$ 38,975</u>	<u>\$ 36,025</u>
<b>Capital Development Fund - 141</b>					
Train Whistle Abatement	\$ 402,360	\$ 8,375	\$ -	\$ 8,375	\$ 393,985
<b>Total Capital Development Fund</b>	<u>\$ 402,360</u>	<u>\$ 8,375</u>	<u>\$ -</u>	<u>\$ 8,375</u>	<u>\$ 393,985</u>
<b>Wireless Service Emergency Fund - 612</b>					
Grants to Emergency Telephone System Boards, Qualified Government Entities, or Department of State Police	\$ 42,900,000	\$ 30,580,565	\$ 6,501,912	\$ 37,082,477	\$ 5,817,523
<b>Total Wireless Service Emergency Fund</b>	<u>\$ 42,900,000</u>	<u>\$ 30,580,565</u>	<u>\$ 6,501,912</u>	<u>\$ 37,082,477</u>	<u>\$ 5,817,523</u>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Year Ended June 30, 2006

P.A. 094 - 0015 FISCAL YEAR 2006	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
<b>Wireless Carrier Reimbursement Fund - 613</b>					
Reimbursement of Wireless Carrier	\$ 34,400,000	\$ 5,800,581	\$ 14,167	\$ 5,814,748	\$ 28,585,252
<b>Total Wireless Carrier Reimbursement Fund</b>	<b>\$ 34,400,000</b>	<b>\$ 5,800,581</b>	<b>\$ 14,167</b>	<b>\$ 5,814,748</b>	<b>\$ 28,585,252</b>
<b>Digital Divide Elimination Infrastructure Fund - 771</b>					
Construction of High-Speed Data Transmission Facilities	\$ 5,000,000	\$ -	\$ -	\$ -	\$ 5,000,000
<b>Total Digital Divide Elimination Infrastructure Fund</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000,000</b>
<b>GRAND TOTAL, ALL FUNDS</b>	<b>\$ 121,455,960</b>	<b>\$ 67,376,879</b>	<b>\$ 8,378,771</b>	<b>\$ 75,755,650</b>	<b>\$ 45,700,310</b>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Years Ended June 30,

	2007	Fiscal Year 2006	2005
	P.A. 094 - 0798	P.A. 094 - 0015	P.A. 093-0842
<b>General Revenue Fund - 001</b>			
Appropriations (Net of Transfers)	\$ -	\$ -	\$ 391,900
<u>Expenditures</u>			
Consumer Education Program	\$ -	\$ -	\$ -
Legal Costs	-	-	-
Total Expenditures	\$ -	\$ -	\$ -
Lapsed Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 391,900</u>
<b>Transportation Regulatory Fund - 018</b>			
Appropriations (Net of Transfers)	\$ 16,284,500	\$ 15,264,500	\$ 16,700,599
<u>Expenditures</u>			
Personal Services	\$ 4,182,869	\$ 4,174,772	\$ 4,214,529
Employee Retirement			
Contributions Paid by Employer	-	25,628	74,310
State Contribution to State			
Employees' Retirement System	482,410	325,984	675,581
State Contributions to Social Security	274,718	270,778	272,861
Group Insurance	793,780	865,857	792,039
Contractual Services	427,634	417,076	372,293
Travel	85,710	87,513	74,513
Commodities	12,020	17,133	9,389
Printing	12,966	14,553	11,212
Equipment	73,242	101,043	84,894
Electronic Data Processing	181,049	185,241	265,968
Telecommunications	149,149	337,776	172,845
Operation of Automotive Equipment	100,401	119,266	91,196
Railroad Crossing Safety	275,779	-	177,468
Single State Insurance Registration Program	339,819	6,362,892	6,001,958
Refunds	<u>2,898</u>	<u>7,758</u>	<u>1,278</u>
Total Expenditures	<u>\$ 7,394,444</u>	<u>\$ 13,313,270</u>	<u>\$ 13,292,334</u>
Lapsed Balances	<u>\$ 8,890,056</u>	<u>\$ 1,951,230</u>	<u>\$ 3,408,265</u>

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Years Ended June 30,

	2007	Fiscal Year 2006	2005
<b>Public Utility Fund - 059</b>	P.A. 094 - 0798	P.A. 094 - 0015	P.A. 093-0842
Appropriations (Net of Transfers)	<u>\$ 24,366,000</u>	<u>\$ 23,414,100</u>	<u>\$ 23,961,100</u>
<u>Expenditures</u>			
Personal Services	\$ 13,357,337	\$ 11,854,496	\$ 11,902,711
Employee Retirement			
Contributions Paid by Employer	-	37,419	51,336
State Contribution to State			
Employees' Retirement System	1,540,768	975,363	2,017,501
State Contributions to Social Security	983,368	872,981	875,845
Group Insurance	2,597,008	2,564,774	2,382,251
Contractual Services	1,213,128	1,095,688	1,052,164
Travel	160,772	142,201	134,875
Commodities	25,174	16,962	11,896
Printing	14,341	16,662	15,685
Equipment	97,904	91,823	723
Electronic Data Processing	631,229	554,767	355,140
Telecommunications	434,837	339,851	357,401
Operation of Automotive Equipment	40,804	42,935	30,959
Electric Service Customer Choice and Rate Relief Law of 1997	-	880,657	874,301
Refunds	<u>798</u>	<u>11,226</u>	<u>258</u>
Total Expenditures	<u>\$ 21,097,468</u>	<u>\$ 19,497,805</u>	<u>\$ 20,063,046</u>
Lapsed Balances	<u>\$ 3,268,532</u>	<u>\$ 3,916,295</u>	<u>\$ 3,898,054</u>
<b>Underground Utility Facilities Damage Prevention Fund - 127</b>			
Appropriations (Net of Transfers)	<u>\$ 75,000</u>	<u>\$ 75,000</u>	<u>\$ 75,000</u>
<u>Expenditures</u>			
Statewide One-call Notice System	\$ 45,125	\$ 38,975	\$ 38,458
Refunds	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 45,125</u>	<u>\$ 38,975</u>	<u>\$ 38,458</u>
Lapsed Balances	<u>\$ 29,875</u>	<u>\$ 36,025</u>	<u>\$ 36,542</u>



STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Years Ended June 30,

	2007	Fiscal Year 2006	2005
<b>Capital Development Fund - 141</b>	P.A. 094 - 0798	P.A. 094 - 0015	P.A. 093-0842
Appropriations (Net of Transfers)	<u>\$ 393,985</u>	<u>\$ 402,360</u>	<u>\$ 3,000,000</u>
<u>Expenditures</u>			
Train Whistle Abatement	<u>\$ 319,710</u>	<u>\$ 8,375</u>	<u>\$ 2,597,640</u>
Total Expenditures	<u>\$ 319,710</u>	<u>\$ 8,375</u>	<u>\$ 2,597,640</u>
Lapsed Balances	<u>\$ 74,275</u>	<u>\$ 393,985</u>	<u>\$ 402,360</u>
<b>Wireless Service Emergency Fund - 612</b>			
Appropriations (Net of Transfers)	<u>\$ 42,900,000</u>	<u>\$ 42,900,000</u>	<u>\$ 44,800,000</u>
<u>Expenditures</u>			
Grants to Emergency Telephone System Boards, Qualified Government Entities, or Department of State Police	<u>\$ 41,843,593</u>	<u>\$ 37,082,477</u>	<u>\$ 33,760,092</u>
Total Expenditures	<u>\$ 41,843,593</u>	<u>\$ 37,082,477</u>	<u>\$ 33,760,092</u>
Lapsed Balances	<u>\$ 1,056,407</u>	<u>\$ 5,817,523</u>	<u>\$ 11,039,908</u>
<b>Wireless Carrier Reimbursement Fund - 613</b>			
Appropriations (Net of Transfers)	<u>\$ 27,500,000</u>	<u>\$ 34,400,000</u>	<u>\$ 35,400,000</u>
<u>Expenditures</u>			
Reimbursement of Wireless Carrier	<u>\$ 21,822,255</u>	<u>\$ 5,814,748</u>	<u>\$ 6,158,905</u>
Total Expenditures	<u>\$ 21,822,255</u>	<u>\$ 5,814,748</u>	<u>\$ 6,158,905</u>
Lapsed Balances	<u>\$ 5,677,745</u>	<u>\$ 28,585,252</u>	<u>\$ 29,241,095</u>

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Years Ended June 30,

	2007	Fiscal Year 2006	2005
	P.A. 094 - 0798	P.A. 094 - 0015	P.A. 093-0842
<b>Restricted Call Registry Fund - 645</b>			
Appropriations (Net of Transfers)	\$ -	\$ -	\$ 950,000
<u>Expenditures</u>			
Restricted Call Registry Act.	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -
Lapsed Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 950,000</u>
<b>Digital Divide Elimination Infrastructure Fund - 771</b>			
Appropriations (Net of Transfers)	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
<u>Expenditures</u>			
Construction of High-Speed Data Transmission Facilities	\$ 989,178	\$ -	\$ -
Total Expenditures	\$ 989,178	\$ -	\$ -
Lapsed Balances	<u>\$ 4,010,822</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
<b>Grand Total - All Appropriated Funds</b>			
Total Appropriations (Net of Transfers)	<u>\$ 116,519,485</u>	<u>\$ 121,455,960</u>	<u>\$ 130,278,599</u>
Total Expenditures	<u>\$ 93,511,773</u>	<u>\$ 75,755,650</u>	<u>\$ 75,910,475</u>
Lapsed Balances	<u>\$ 23,007,712</u>	<u>\$ 45,700,310</u>	<u>\$ 54,368,124</u>

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES**  
For the Fiscal Years Ended June 30,

<b>Non-Appropriated Fund</b>	2007	Fiscal Year 2006	2005
<b>Federal Grants Trust Fund - 379</b>			
<u>Expenditures</u>			
Federal Railroad Association Grant	\$ 495,097	\$ -	\$ -
Total Expenditures	<u>\$ 495,097</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Grand Total Expenditures - All Funds</b>	<u><u>\$ 94,006,870</u></u>	<u><u>\$ 75,755,650</u></u>	<u><u>\$ 75,910,475</u></u>
Salaries Paid from the Comptroller's Executive Salary Appropriation			
Board Chairman	\$ 119,293	\$ 93,044	\$ 113,836
Four Board Members	<u>\$ 374,615</u>	<u>\$ 397,656</u>	<u>\$ 339,665</u>
Total Expenditures from the Comptroller's Executive Salaries Appropriation	<u><u>\$ 493,908</u></u>	<u><u>\$ 490,700</u></u>	<u><u>\$ 453,501</u></u>

STATE OF ILLINOIS  
 ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF CHANGES IN STATE PROPERTY**  
 For the Two Years Ended June 30, 2007

		Equipment
Balance at July 1, 2005	\$	5,161,206
Additions		463,537
Deletions		(50,712)
Net Transfers		(627,397)
Balance at June 30, 2006	\$	4,946,634
Balance at July 1, 2006	\$	4,946,634
Additions		837,762
Deletions		(43,084)
Net Transfers		(905,123)
Balance at June 30, 2007	\$	4,836,189

Note: The above schedule has been derived from Agency records which have been reconciled to property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF CASH RECEIPTS**  
For the Fiscal Years Ended June 30,  
(Expressed in Thousands)

<b><u>General Revenue Fund - 001</u></b>	<u>2007</u>	<u>2006</u>
Fines, Penalties or Violations	\$ 580	\$ -
QSWEF Tax Credit Repayment	15,199	8,450
Public Utility Fines	-	-
	<hr/>	<hr/>
Total General Revenue Fund	\$ 15,779	\$ 8,450

**Transportation Regulatory Fund - 018**

Franchise Fees	\$ 1,969	\$ 2,618
Transportation Carrier Tax	500	320
Base State Registration - Illinois	141	3,192
Base State Registration - Other	340	6,363
Civil Penalties	747	665
Railroad Crossing Reimbursement (IDOT)	202	-
Other Taxes	1	-
	<hr/>	<hr/>
Total Transportation Regulatory Fund	\$ 3,900	\$ 13,158

**Public Utilities Fund - 059**

Gross Revenue Tax	\$ 9,261	\$ 9,844
US Department of Transportation	808	246
Securities Issuance Fees	3,928	1,634
Copy Fees	7	7
QSWEF Tax Credit Repayment	200	495
Telephone Utilities	1	7
Miscellaneous	9	14
Prior Year Refunds	-	2
Prior Year Warrant Voids	7	-
	<hr/>	<hr/>
Total Public Utilities Fund	\$ 14,221	\$ 12,249

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**COMPARATIVE SCHEDULE OF CASH RECEIPTS**  
For the Fiscal Years Ended June 30,  
(Expressed in Thousands)

<b><u>Illinois Underground Utility Facilities</u></b>		
<b><u>Damage Prevention Fund - 127</u></b>	<u>2007</u>	<u>2006</u>
Fines, Penalties, or Violations	<u>\$ 48</u>	<u>\$ 53</u>
<b><u>ICC Federal Grants Fund - 379</u></b>		
Federal Railroad Association	<u>\$ 495</u>	<u>\$ -</u>
<b><u>Wireless Service Emergency</u></b>		
<b><u>Fund - 612</u></b>		
Wireless 911 Surcharge	<u>\$ 42,177</u>	<u>\$ 37,910</u>
<b><u>Wireless Carrier Reimbursement</u></b>		
<b><u>Fund - 613</u></b>		
Wireless 911 Surcharge	<u>\$ 21,089</u>	<u>\$ 18,955</u>
<b><u>TOTAL ALL FUNDS</u></b>	<b><u>\$ 97,709</u></b>	<b><u>\$ 90,775</u></b>

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS  
REMITTED TO THE STATE COMPTROLLER**  
For the Fiscal Year Ended June 30, 2007  
(Expressed in Thousands)

	<b>All Funds Combined</b>	<b>General Revenue Fund 001</b>	<b>Transportation Regulatory Fund 018</b>	<b>Public Utilities Fund 059</b>	<b>Illinois Underground Facility Damage Prevention Fund 127</b>	<b>ICC Federal Grants Fund 379</b>	<b>Wireless Service Reimbursement Fund 612</b>	<b>Wireless Carrier Reimbursement Fund 613</b>
Intra-State Gross Revenue Tax	\$ 9,761	\$ -	\$ 500	\$ 9,261	\$ -	\$ -	\$ -	\$ -
Public Utility Tax	78,665	15,199	-	200	-	-	42,177	21,089
Fines, Penalties or Violations	1,375	580	747	-	48	-	-	-
Federal Government	1,303	-	-	808	-	495	-	-
Licenses, Fees and Registration	6,385	-	2,450	3,935	-	-	-	-
Other Revenue	220	-	203	17	-	-	-	-
<b>Total - Per Agency Records</b>	<b>\$ 97,709</b>	<b>\$ 15,779</b>	<b>\$ 3,900</b>	<b>\$ 14,221</b>	<b>\$ 48</b>	<b>\$ 495</b>	<b>\$ 42,177</b>	<b>\$ 21,089</b>
Deposits in Transit to Comptroller								
Beginning of Period	\$ 2,725	\$ 53	\$ 130	\$ 128	\$ 2	\$ -	\$ 1,608	\$ 804
End of Period	(5,834)	(773)	(313)	(418)	(13)	-	(2,878)	(1,439)
Returned Checks	(3)	-	(3)	-	-	-	-	-
Cleared Checks from Prior FY	3	-	3	-	-	-	-	-
<b>Total - Per State Comptroller Records</b>	<b>\$ 94,600</b>	<b>\$ 15,059</b>	<b>\$ 3,717</b>	<b>\$ 13,931</b>	<b>\$ 37</b>	<b>\$ 495</b>	<b>\$ 40,907</b>	<b>\$ 20,454</b>

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**RECONCILIATION SCHEDULE OF CASH RECEIPTS TO DEPOSITS  
REMITTED TO THE STATE COMPTROLLER**  
For the Fiscal Year Ended June 30, 2006  
(Expressed in Thousands)

	<b>All Funds Combined</b>	<b>General Revenue Fund 001</b>	<b>Transportation Regulatory Fund 018</b>	<b>Public Utilities Fund 059</b>	<b>Illinois Underground Facility Damage Prevention Fund 127</b>	<b>ICC Federal Grants Fund 379</b>	<b>Wireless Service Reimbursement Fund 612</b>	<b>Wireless Carrier Reimbursement Fund 613</b>
Intra-State Gross Revenue Tax	\$ 10,164	\$ -	\$ 320	\$ 9,844	\$ -	\$ -	\$ -	\$ -
Public Utility Tax	65,810	8,450	-	495	-	-	37,910	18,955
Fines, Penalties or Violations	718	-	665	-	53	-	-	-
Federal Government	246	-	-	246	-	-	-	-
Licenses, Fees and Registration	13,814	-	12,173	1,641	-	-	-	-
Other Revenue	23	-	-	23	-	-	-	-
<b>Total - Per Agency Records</b>	<b>\$ 90,775</b>	<b>\$ 8,450</b>	<b>\$ 13,158</b>	<b>\$ 12,249</b>	<b>\$ 53</b>	<b>\$ -</b>	<b>\$ 37,910</b>	<b>\$ 18,955</b>
Deposits in Transit to Comptroller								
Beginning of Period	125	-	54	8	-	-	42	21
End of Period	(2,725)	(53)	(130)	(128)	(2)	-	(1,608)	(804)
Returned Checks	(7)	-	(7)	-	-	-	-	-
Cleared Checks from Prior FY	4	-	4	-	-	-	-	-
<b>Total - Per State Comptroller Records</b>	<b>\$ 88,172</b>	<b>\$ 8,397</b>	<b>\$ 13,079</b>	<b>\$ 12,129</b>	<b>\$ 51</b>	<b>\$ -</b>	<b>\$ 36,344</b>	<b>\$ 18,172</b>



STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2007

Significant variances were determined to be changes of \$25,000 and at least 25% between fiscal years as reported in the Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances, and are explained below.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2006 AND 2007**

**Transportation Regulatory Fund – 018**

Employee Retirement Contributions Paid by Employer

The decrease in employee retirement contributions expenditures in FY06 was due to the State ceasing to pay the employee's portion of retirement contributions in FY06.

State Contribution to State Employees' Retirement System

The increase in State contributions to State employees' retirement system expenditures in FY07 was due to an increase in the employer contribution rate from 7.792% in FY06 to 11.525% in FY07.

Equipment

The decrease in equipment expenditures was due to purchasing fewer vehicles in FY07 compared to FY06.

Telecommunications

The decrease in telecommunications expenditures was due to the purchase of twelve new radios for officers in FY06. This purchase was not repeated in FY07.

Railroad Crossing Safety

The increase in railroad crossing safety expenditures was due to continuing the project to update information contained in its Statewide Crossing Inventory. This project was cancelled in FY06 and reinstated in FY07.

Single State Insurance Registration Program

The decrease in single state insurance registration program expenditures was due to the Program being repealed and replaced by the Unified Carrier Registration Program during FY07, which did not begin collecting and expending funds until FY08 due to the Commission awaiting the completion of federal regulations.

**Public Utility Fund – 059**

Employee Retirement Contributions Paid by Employer

The decrease in employee retirement contributions paid by employer expenditures in FY07 was due to employee retirement contributions no longer being paid by the employer for FY07 as a result of negotiated labor agreements.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2007

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2006 AND 2007 (CONTINUED)**

**Public Utility Fund – 059 (continued)**

State Contribution to State Employees' Retirement System

The increase in State contribution to State employees' retirement systems expenditures in FY07 was due to an increase in the employer contribution rate from 7.792% in FY06 to 11.525% in FY07.

Telecommunications

The increase in telecommunications expenditures was due to the Commission paying for a new audio public address system for the Springfield and Chicago office's main hearing rooms in FY07.

Electric Service Customer Choice and Rate Relief Law of 1997

The decrease in electric service customer choice and Rate Relief Law of 1997 (Law) expenditures was due to the payment of program expenditures from line-item specific appropriations rather than a lump sum appropriation in FY07.

**Capital Development Fund – 141**

Train Whistle Abatement

The increase in train whistle abatement expenditures was due to a grant that was received for the establishment of a train horn quiet zone for Evergreen Park in the city of Chicago.

**Wireless Carrier Reimbursement Fund – 613**

Reimbursement of Wireless Carrier

The increase in reimbursement of wireless carrier expenditures was primarily due to large reimbursements to several providers for expenses related to wireless 911 Services.

**Digital Divide Elimination Infrastructure Fund – 771**

Construction of High – Speed Data Transmission Facilities

The increase in construction of high-speed data transmission facilities expenditures was due to FY07 being the first year the Commission issued grants from the fund.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2007

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2005 AND 2006**

**Transportation Regulatory Fund – 018**

Employee Retirement Contributions Paid by Employer

The decrease in employee retirement contributions expenditures in FY06 was due to the State ceasing to pay the employee's portion of employee retirement contribution in FY06.

State Contribution to State Employees' Retirement System

The decrease in State contributions to State employees' retirement system expenditures in FY06 was due to the employer contribution rate decreasing from 16.107% in FY05 to 7.792% in FY06.

Electronic Data Processing

The decrease in electronic data processing expenditures was due to an efficiency initiative payment that was made in FY05. No efficiency initiative payments were made in FY06.

Telecommunications

The increase in telecommunications expenditures was due to the purchase of twelve new radios for officers in FY06.

Operation of Automotive Equipment

The increase in operation of automotive equipment expenditures was due to an increase in the cost of gas and an increase in the cost of maintaining an older fleet.

Railroad Crossing Safety

The decrease in railroad crossing safety expenditures was due to the cancellation of the project to update information contained in its Statewide Crossing Inventory due to cash flow concerns.

**Public Utility Fund – 059**

State Contribution to State Employees' Retirement System

The decrease in State contributions to State Employees' Retirement System expenditures was due to a decrease in the employer contribution rate from 16.107% in FY05 to 7.792% in FY06.

Equipment

The increase in equipment expenditures was due to the purchase of five new vehicles and a postage meter with a scale in FY06.

Electronic Data Processing

The increase in electronic data processing expenditures was due to the purchase of seventeen new servers in FY06.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES**  
For the Two Years Ended June 30, 2007

**ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2005 AND 2006 (CONTINUED)**

**Capital Development Fund – 141**

Train Whistle Abatement

The decrease in train whistle abatement expenditures was due to a one-time project for improvements for ten grade crossings in the City of Chicago which was completed in FY05.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2007

Significant variances in receipts were determined to be changes of \$25,000 and at least 20% between fiscal years, and are explained below.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2006 AND 2007**

**General Revenue Fund - 001**

Fines, Penalties or Violations

The increase of \$580,000 was due to a telephone company's payment of a penalty for non-compliance with Commission orders.

QSWEF (Qualified Solid Waste to Energy Facilities) Tax Credit Repayment

The increase of \$6,749,000 was due to an additional QSWEF beginning to repay its tax credit at the end of FY06 and through FY07. Also, the rate of repayment of tax credits by other companies increased. In addition, one company made a one time payment of \$5,000,000 as a settlement for the bankruptcy of several QSWEF's.

**Transportation Regulatory Fund - 018**

Franchise Fees

The decrease of \$649,000 was due to the Single State Registration Program being replaced by the Unified Carrier Registration Program in FY07. The new federal government program did not begin collecting funds until FY08.

Transportation Carrier Tax

The increase of \$180,000 was due an increase in gross revenue tax payments by a railroad company from FY06 to FY07.

Base State Registration – Illinois

The decrease of \$3,051,000 was due to the Single State Registration Program coming to an end in FY07 and being replaced by the Unified Carrier Registration Program, which did not begin collecting funds until FY08.

Base State Registration – Other States

The decrease of \$6,023,000 was due to the Single State Registration Program coming to an end in FY07 and being replaced by the Unified Carrier Registration Program, which did not begin collecting funds until FY08.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2007

Significant variances in receipts were determined to be changes of \$25,000 and at least 20% between fiscal years, and are explained below.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2006 AND 2007 (CONTINUED)**

**Transportation Regulatory Fund – 018 (continued)**

Railroad Crossing Reimbursement (IDOT)

The increase of \$202,000 was due to the Commission having a Statewide Crossing Inventory Project contract in FY07 with the Illinois Department of Transportation. The contract reimbursed the Commission for half of its expenditures for the Statewide Crossing Inventory Project. No contract existed in FY06.

**Public Utility Fund - 059**

U.S. Department of Transportation

The increase of \$562,000 was due to timing differences for the receipt of grant money from the federal government.

Securities Issuance Fees

The increase of \$2,294,000 was due to public utility companies having more security issuances in FY07.

QSWEF (Qualified Solid Waste to Energy Facilities) Tax Credit Repayment

The decrease of \$295,000 was due to timing differences of the repayments from the QSWEF's.

**ICC Federal Grants Fund - 379**

Federal Railroad Association

The increase of \$495,000 was due to receiving a one-time pass through grant for railroad safety during FY07.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS**  
For the Two Years Ended June 30, 2007

Significant variances in receipts were determined to be changes of \$25,000 and at least 20% between fiscal years, and are explained below.

**ANALYSIS OF SIGNIFICANT VARIATIONS IN RECEIPTS BETWEEN FISCAL YEARS 2005 AND 2006**

**General Revenue Fund - 001**

Fines, Penalties or Violations

The decrease of \$206,000 was due to two punitive penalties that were assessed by Commission orders to utilities during FY05. There were no penalties assessed in FY06.

Public Utility Fines

The decrease of \$33,000 was due to increased telephone company compliance with the Commission's guidelines for levels of service, resulting in lower fees assessed.

**Transportation Regulatory Fund - 018**

Railroad Crossing Reimbursement (IDOT)

The decrease of \$192,000 was due to the FY05 Statewide Crossing Inventory Project contract with Illinois Department of Transportation being cancelled by the Commission.

**Public Utility Fund - 059**

U.S. Department of Transportation

The decrease of \$224,000 was due to timing differences for the receipt of grant money from the federal government.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2007

The following explanations were obtained for lapse period spending, which exceeded \$25,000 and 20% of the line item expenditures.

**FISCAL YEAR 2007**

**Transportation Regulatory Fund – 018**

*Division 20*

Personal Services

Certain personal services expenditures were paid from the Public Utility Fund during the fiscal year, and were paid from the Transportation Regulatory Fund during the lapse period.

*Division 40*

Contractual Services

Certain contractual services expenditures which benefited multiple divisions were allocated to the Public Utility Fund during the Fiscal Year, and were paid from the Transportation Regulatory Fund during the lapse period.

Equipment

Equipment expenditures during the lapse period were for a number of items ordered prior to June 30, including one police vehicle, two railroad vehicles and body armor for officers. The related invoices were not received and processed until the lapse period.

Electronic Data Processing

Electronic data processing expenditures during the lapse period were for a number of items ordered prior to June 30, including 25 laptop computers, two scanners, two copiers and a data center charge. The related invoices were not received and processed until the lapse period.

Telecommunications

Telecommunications expenditures during the lapse period were due to the timing of receiving and paying for invoices for telecommunications from the Department of Central Management Services.

Operation of Automotive Equipment

Operation of automotive equipment expenditures were due to the timing of receiving and paying for invoices for the operation of automotive equipment from the Department of Central Management Services.



STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2007

**FISCAL YEAR 2007 (Continued)**

**Transportation Regulatory Fund – 018 (continued)**

*Division 40(continued)*

Railroad Crossing Improvement Initiative

Railroad crossing safety expenditures during the lapse period were due to two invoices for the performance of an annual update of data of the inventory of public highway/rail grade crossings throughout the State. The related invoices were not received and processed until the lapse period.

**Public Utility Fund – 059**

*Division (30)*

Equipment

Equipment expenditures during the lapse period were for a number of items ordered prior to June 30, including four vehicles, a microfilm machine and a folder/insert machine. The related invoices were not received and processed until the lapse period.

Telecommunications

Telecommunications expenditures during the lapse period were due to a new audio public address system that was ordered prior to June 30, but was not received and processed until lapse period.

**Wireless Carrier Reimbursement Fund – 613**

Reimbursement of Wireless Carrier

Reimbursement of wireless carrier expenditures during the lapse period was due to a large reimbursement to one carrier for expenses related to wireless 911 services that was received and processed in the lapse period.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING**  
For the Two Years Ended June 30, 2007

The following explanations were obtained for lapse period spending, which exceeded \$25,000 and 20% of the line item expenditures.

**FISCAL YEAR 2006**

**Transportation Regulatory Fund – 018**

*Division (40)*

Equipment

Equipment expenditures during the lapse period were for 4 vehicles that were ordered prior to June 30. The related invoices were not received and processed until the lapse period.

Electronic Data Processing

Electronic data processing expenditures during the lapse period were for a number of items ordered prior to June 30, including expansion hardware, 115 Computers, and 25 laptops. The related invoices were not received and processed until the lapse period.

Telecommunications

Telecommunications expenditures during the lapse period were for twelve radios for Officers that were ordered prior to June 30. The related invoices were not received and processed until the lapse period.

**Public Utility Fund – 059**

*Division (30)*

Electronic Data Processing

Electronic data processing expenditures during the lapse period were for a number of items ordered prior to June 30, including expansion hardware, 115 Computers, and 25 laptops. The related invoices were not received and processed until the lapse period.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF ACCOUNTS RECEIVABLE**

For the Two Years Ended June 30,  
(Amounts Expressed in Thousands)

Aging of Accounts Receivable, per Commission records, were as follows:

	<b>General Revenue Fund 001</b>	
	<b>2007</b>	<b>2006</b>
Current	\$ 25,773	\$ 35,366
1-30 days	-	807
Accounts Receivable Gross Balance	25,773	36,173
Less: Estimated Uncollectibles	-	-
Accounts Receivable Net Balance	\$ 25,773	\$ 36,173

These amounts represent receivables related to public utility taxes and miscellaneous receipts.

	<b>Transportation Regulatory Fund 018</b>	
	<b>2007</b>	<b>2006</b>
Current	\$ 126	\$ 130
1-30 days	62	62
31-90 days	28	70
91-180 days	18	71
181 - 1 year	21	82
Over 1 year	798	612
Accounts Receivable Gross Balance	1,053	1,027
Less: Estimated Uncollectibles	(818)	(694)
Accounts Receivable Net Balance	\$ 235	\$ 333

These amounts represent receivables related to transportation taxes, including gross revenue taxes and fees on each mile of railroad track crossings authorized by the Illinois Commercial Transportation Law (ICTL).

The Commission uses the Comptroller's offset system, the Attorney General, and internal collection services to collect old receivable balances.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF ACCOUNTS RECEIVABLE**

For the Two Years Ended June 30,  
(Amounts Expressed in Thousands)

Aging of Accounts Receivable, per Commission records, were as follows:

	<b>Public Utility Fund 059</b>	
	<b>2007</b>	<b>2006</b>
Current	\$ 744	\$ 1,051
1-30 days	15	-
31-90 days	-	2
91-180 days	-	2
Over 1 year	13	14
Accounts Receivable Gross Balance	772	1,069
Less: Estimated Uncollectibles	(13)	(14)
Accounts Receivable Net Balance	\$ 759	\$ 1,055

These amounts represent receivables related to gross revenue taxes on public utilities, federal grants, civil penalties, authorization fees for the issuance of stock or indebtedness, and copy fees.

	<b>Underground Utility Facility Damage Fund 127</b>	
	<b>2007</b>	<b>2006</b>
Current	\$ 24	\$ 11
1-30 days	23	13
31-90 days	1	16
91-180 days	-	11
181 - 1 year	9	20
Over 1 year	49	30
Accounts Receivable Gross Balance	106	101
Less: Estimated Uncollectibles	(58)	(50)
Accounts Receivable Net Balance	\$ 48	\$ 51

These amounts represent receivables related to penalties authorized by the Illinois Underground Facility Damage Prevention Act.

The Commission uses the Comptroller's offset system, the Attorney General, and internal collection services to collect old receivable balances.

STATE OF ILLINOIS  
 ILLINOIS COMMERCE COMMISSION  
**SCHEDULE OF INDIRECT COST REIMBURSEMENTS**  
 For the Fiscal Years Ended June 30,  
 (Amounts Expressed in Thousands)

The Commission had a pre-approved indirect cost reimbursement level for the Gas Pipeline Safety program from the U.S. Department of Transportation. The amount of cash receipts received and deposited into the Public Utility Fund and the rates for reimbursement under the provisions of the negotiated rates were as follows:

<u>Fiscal Year</u>	Reimbursements <u>Received</u>	Reimbursement <u>Rate</u>
2007	\$ 24,592	5.33%
2006	19,928	4.08%
2005	22,625	4.83%

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF OPERATIONS**  
For the Two Fiscal Years Ended June 30, 2007

**AGENCY FUNCTIONS AND PLANNING PROGRAM**

**Functions**

The Illinois Commerce Commission (Commission) regulates investor-owned telecommunications, electricity, natural gas, and water and sewer utilities, and competitive providers. In addition, the Commission also regulates and oversees household movers, towing companies which relocate trespassing vehicles, the enforcement of certain trucking insurance coverage laws, railroad grade crossing standards, rail movement of hazardous materials and gas pipeline safety. The structure and major functions of the Commission are derived from the Public Utilities Act, which states that the policy of the State shall be to continue the effective and comprehensive regulation of public utilities and telecommunications carriers; the Illinois Commercial Transportation Law, which regulates the commercial transportation of persons and property within the State; and other public acts of the Illinois General Assembly delegating specific responsibilities to the Commission, including the Electric Supplier Act, the Gas Pipeline Safety Act, the Emergency Telephone System Act, the Wireless Emergency Telephone Safety Act, the Commercial Relocation of Trespassing Vehicles Law and the Railroad Hazardous Materials Act.

The Public Utilities Act (220 ILCS 5/1-101 et seq.) divides the Commission's regulatory authority into two major categories: 1) the regulation of rates and services, and 2) the supervision of corporate transactions. The Commission is required to establish the governing rules and regulations of all proceedings before the Commission that are either instituted by the Commission on its own motion or brought before the Commission by utilities and consumers. In fulfilling its statutory mandate, the Commission holds regular hearings and conducts technical investigations for the purpose of adjudicating legal and factual issues. The functions executed by the Commission include granting certificates of convenience and necessity to new utilities; the approval of additions and extensions to the certificates of existing utilities; setting just and safe utility operations; the review and approval of accounting and other financial matters; and providing procedures for the resolution of complaints. In addition, the Commission has an established forum for the development of regulatory policy generally applicable to similarly situated public utilities and telecommunications carriers. The Public Utilities Act allows the Commission the legal power to enforce its decisions.

The funds which are used to administer the Public Utilities Act are primarily derived from four sources, including: 1) a gross revenue tax imposed upon all regulated telecommunications carriers and public utilities, except electric utilities as per Public Act 90-561 (220 ILCS 5/16-101), 2) fees levied for the authorization to issue securities of all regulated public utilities and those telecommunications carriers subject to the Public Utilities Act, 3) the electricity excise tax that is collected by the Department of Revenue to be determined by the Director to be equal to 3.0% of the funds received is deposited into the Public Utility Fund, and 4) the base maintenance contribution paid by electric utilities, serving more than 12,500 customers, totaling \$5.5 million per year.

Under the authority of the Illinois Commercial Transportation Law (625 ILCS 5/18c-1101 et seq.), the Commission administers and enforces financial responsibility, insurance and safety requirements for all public trucking companies in Illinois, regulates intrastate household goods carriers to assure compliance with filed rates and service territory and registers all intrastate and interstate trucking companies in Illinois. The Commission protects consumers through the administration and enforcement of a program to assure the legal and ethical operation of household goods movers statewide and, in accordance with the provisions of the Illinois Commercial Relocation of Trespassing Vehicles Law (625 ILCS 5/18a-100 et seq.), oversees the relocation towing activities in the following counties: Cook, DuPage, Kane, Will and Winnebago. The Commission also directs safety improvements at railroad grade crossings, inspects registered rail carriers' track, inspects railroad cars and facilities involved in the movement of hazardous materials, and assures railroad company compliance with operating practice standards. This Illinois Commercial Transportation Law authorizes the Commission to establish and assess various fees to be used solely for the administration of transportation programs.

The Electric Supplier Act (220 ILCS 30/1 et seq.), directs the Commission to act as an administrative decision-maker in territorial service area disputes and to consider negotiated agreements, as to service areas, between electric cooperatives and investor-own public utilities.

The Gas Pipeline Safety Act (220 ILCS 20/1 et seq.), grants the Commission safety jurisdiction of all pipeline facilities within Illinois who transport natural gas, except for most facilities of interstate natural gas pipelines. The Gas Pipeline Safety Act authorizes the Commission to implement minimum safety standards embodied in federal law. The Commission's participation in a federal certification program provides approximately 50% of the funding for the administration of the Act.

Under the provisions of the Emergency Telephone System Act (50 ILCS 750.01 et seq.), the Commission has been given the responsibility of coordinating the implementation of the 9-1-1 emergency telephone systems on a Statewide basis. This act has charged the Commission with the following responsibilities to adopt rules governing grants and reimbursements, to develop and maintain a database of providers eligible to receive grants and carriers eligible to receive reimbursements to the extent authorized by the State Treasurer, to collect and allocate surcharges remitted by carriers into the funds, to make monthly grants to eligible providers, to review and process presented carriers requests for reimbursement in accordance with the Act, to account for all surcharges collected and moneys disbursed, to maintain auditable records of receipts, grants, and reimbursements and to resolve disputes as required by the Act.

The Commission maintains offices at 527 East Capitol Avenue, Springfield, Illinois; 160 N. LaSalle, Suite C-800, Chicago, Illinois; and 477 South River Road, Des Plaines, Illinois. At June 30, 2007, the Commission consisted of Chairman Charles Box, Lula M. Ford, Erin O'Connell-Diaz, Robert F. Lieberman, and one vacancy.

The Commission's Executive Director is hired by the Commission and is responsible for the daily operations of the Commission. Tim Anderson has served as the Executive Director since July 31, 2006.

## **Planning**

The Commission is a regulatory agency which is obligated to fulfill its responsibilities under various enabling legislation. A majority of the Commission's agenda and, therefore, the allocation of resources, is affected by the timing, frequency, and nature of many of the substantive filings before the Commission by various regulated entities.

The planning and subsequent program development is carried out by promulgating rules and regulations that affect the companies under the Commission's jurisdiction. The Commission's efforts and activities are directed to administer and implement rules and regulations that are applicable to the regulated industries in the public interest. Related efforts also include participation in proceedings before the Federal Energy Regulatory Commission, the Interstate Commerce Commission, and the Federal Communications Commission. The aforementioned proceedings directly or indirectly affect Illinois utilities, telecommunications carriers and motor carriers, respectively, and their customers, by means consistent with the position developed by the State of Illinois' executive and legislative policy-makers. In addition, the Commission also frequently offers comments to members of the State's Congressional delegation and submits testimony, written or oral, to Congressional committees to further the interest of the people in Illinois.

Legislative mandate requires the Commission to set annual goals to be primarily developed through the Commission's Strategic Plan. It is the Executive Director's responsibility, in corroboration with the Commission, to establish the objectives and criteria used to measure progress towards attaining the Commission's goals in areas under its jurisdiction.

The long term objectives of the Commission are as follows:

- 1) Minimize entry barriers that limit competition.
- 2) Create a level playing field for public utilities.
- 3) Establish an effective market-monitoring program for public utilities.
- 4) Raise the profile of the Consumer Services Division and of the Commission as the educator and protector of the consumer.
- 5) Ensure that information on utility, and ICC services in general, are available to consumers.
- 6) Expand consumer protection options and authority.
- 7) Establish broad-based stakeholder review groups consisting of industry, professional organizations and other state and federal agencies.
- 8) Strengthen the compliance function of the Commission to ensure that companies comply with applicable laws, rules, and orders.



STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF OPERATIONS**  
For the Years Ended June 30,

**AVERAGE NUMBER OF EMPLOYEES**

The following table, prepared from Agency records, presents the average number of employees, by function, for the Fiscal Years ended June 30,

<u>Division</u>	<u>2007</u>	<u>2006</u>	<u>2005*</u>
Chairman & Commissioners	15	15	16
Executive Director's Office	7	7	7
Bureau of External Affairs:	1	1	0
Consumer Services	20	21	19
Governmental Affairs	3	3	3
Public Affairs	3	2	3
Bureau of Transportation	51	54	56
Office of the General Counsel	23	23	25
Bureau of Public Utilities:	2	1	1
Energy	28	26	20
Telecommunications	15	18	18
Financial Analysis	30	27	31
Public Safety & Enforcement	0	3	12
Administrative Law Judges	18	18	17
Bureau of Planning & Operations:	2	3	3
Records Management	8	9	9
Administrative Services	16	16	17
Information Technology	17	18	18
Project Management	<u>0</u>	<u>0</u>	<u>2</u>
 Total average full-time employees	 <u>259</u>	 <u>265</u>	 <u>277</u>
 Total average part-time contractual employees	 <u>12</u>	 <u>11</u>	 <u>6</u>

\*Note – FY05 numbers changed from the prior examination report due to a modification in the headcount calculation method for this report schedule.

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION  
**ANALYSIS OF OPERATIONS**  
For the Years Ended June 30, 2007

**EMERGENCY PURCHASES**

The Commission reported the following emergency purchases to the Office of the Auditor General in FY06. No emergency purchases were reported in FY07.

<u>DESCRIPTION OF EMERGENCY PURCHASE</u>	<u>AMOUNT</u>
ComEd's obligation to pay the professional fees and costs of Liberty Consulting Group to investigate, for the Commission, the causes and circumstances of extended customer electric service interruptions resulting from fires at ComEd substations during the Summer of 2005.	\$600,000
TOTAL COST	<u>\$600,000</u>

**MEMORANDUMS OF UNDERSTANDING (Not Examined)**

The Commission reported the following Memorandums of Understanding to the Office of the Auditor General during FY06 and FY07:

<u>DESCRIPTION OF REQUIREMENTS</u>	<u>EFFECTIVE DATES</u>	<u>AMOUNT</u>
A Memorandum of Understanding was entered into between the Illinois Commerce Commission and the Illinois Department of Transportation. The purpose of the agreement was to set forth the terms by which the Illinois Department of Transportation should expend Homeland Security Grant funding on behalf of the Illinois Commerce Commission.	4/16/2005 to 12/15/2005	\$73,000
A Memorandum of Understanding was entered into between the Illinois Commerce Commission and the Office of the Comptroller. The purpose of the agreement was to arrange the terms by which the Commission would obtain access to the Comptroller's Information Warehouse.	5/14/2006 to Present	N/A
TOTAL		<u>\$73,000</u>

STATE OF ILLINOIS  
 ILLINOIS COMMERCE COMMISSION  
**SERVICE EFFORTS AND ACCOMPLISHMENTS**  
 For the Fiscal Years Ended June 30,  
 (Not Examined)

	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>PUBLIC UTILITIES PROGRAM</b>			
Cases filed	849	837	778
Hearings	1,797	2,218	2,232
Cases resolved	830	982	906
Number of outage inquiries and complaints	411	368	402
Percentage of consumer inquiries and complaints resolved in a single call	59.0%	34.8%	53.4%
Total 911 systems	195	195	199
<b>TRANSPORTATION REGULATORY PROGRAM</b>			
Administrative citations	1,925	2,332	2,540
Investigations	1,677	1,714	1,980
Track inspections (miles)	6,553	6,486	6,297
Number of collisions at public crossings	140	122	135
Crossing projects ordered	1,445	1,144	404