

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

|                                      |   |            |
|--------------------------------------|---|------------|
| REQUEST OF FARMERS RURAL ELECTRIC    | ) |            |
| COOPERATIVE FOR RELIEF OF THE FILING | ) | CASE NO.   |
| REQUIREMENTS FOR THE PREPAY METER    | ) | 2014-00311 |
| PROGRAM                              | ) |            |

ORDER

On March 20, 2014, Farmers Rural Electric Cooperative Corporation (“Farmers”) submitted a letter to the Commission requesting relief from certain data collection requirements that were ordered in connection with the Commission’s approval of Farmers’ prepay metering Pay-As-You-Go program (“Prepay Program”) in Case No. 2012-00437.<sup>1</sup> Farmers notes that the relief it seeks is the same relief for which Nolin Rural Electric Cooperative Corporation (“Nolin”) and Blue Grass Energy Cooperative Corporation (“Blue Grass”) sought and received approval from the Commission in Case No. 2013-00037<sup>2</sup> and Case No. 2014-00045,<sup>3</sup> respectively. This case has been formally established to address Farmers’ request. The matter now stands submitted to the Commission for a decision.

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<sup>1</sup> Case No. 2012-00437, *Application of Farmers Rural Electric Cooperative Corporation for Approval of a Prepay Metering Program Tariff* (Ky. PSC Jan. 23, 2013).

<sup>2</sup> Case No. 2013-00037, *Filing of Nolin Rural Electric Cooperative Corporation for Approval to Eliminate Its Pilot Prepay Program and for Approval of a Permanent Prepay Program Regulatory Tariff* (Ky. PSC May 17, 2013).

<sup>3</sup> Case No. 2014-00045, *Request of Blue Grass Energy Cooperative Corporation for Relief of the Filing Requirements for the Prepay Meter Program* (Ky. PSC Mar. 6, 2014).

## DISCUSSION

In Case No. 2012-00437, the Commission approved Farmers' proposed Prepay Program and its associated tariff. In its March 20, 2014 letter, Farmers states that its Prepay Program has been very successful, with 435 members participating during 2013, increasing to 556 members requesting the program as of March 18, 2014. In the Commission's Final Order in Case No. 2012-00437, Farmers was required to file with its Annual Report the following information regarding its Prepay Program:<sup>4</sup>

1. The number of participants over the course of the Prepay Program, disaggregated to show how many: (1) remained in the program from the time they enrolled; (2) were terminated from the program (and the reasons for such termination); and (3) voluntarily left the program (and the reasons for leaving).

2. The number of participants whose enrollment resulted from having sought to resolve a past due bill, an arrearage balance, prior service disconnection, or some other service or payment problem.

3. The number of participants, by month, who permitted their purchased energy to run down to a negative balance causing their service to be terminated.

4. The number of participants who permitted their purchased energy to run down to a negative balance multiple times, with the numbers disaggregated to show the number with two, three, and four or more such occurrences.

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<sup>4</sup> Appendix to the January 23, 2013 Order in Case No. 2012-00437.

5. The number of participants with arrearage balances at the time of enrollment showing the number with arrearages of: (a) \$100 or less; (b) \$101 to \$299; and (c) \$300 or greater.

6. The number of participants that had received disconnect notices at their current residence during the 12 months immediately prior to enrolling in the program.

7. For all program participants, the month each participant enrolled in the program, and individual monthly electric usage and bill amounts, comparing the month in the current year with the same month in the prior year (i.e. March 2013 with March 2012, April 2013 with April 2012, May 2013 with May 2012, etc.).

For calendar year 2013, Farmers noted that it was able to timely file the information requested, but that the effort to collect and organize the data was “extremely time-consuming and burdensome.”<sup>5</sup> Farmers states that its computer software, which it indicates is the same as that used by Blue Grass, does not allow for electronic collection of the data required to be collected, and that it must manually gather such data.<sup>6</sup> Farmers claims that the burden of manually tracking individual account data will continue to increase, and therefore requests that in the future its data collection requirements be similar to those of Nolin and Blue Grass.

#### FINDINGS

Having reviewed the letter request and being otherwise sufficiently advised, the Commission finds that Farmers has established good cause to permit it to be relieved of the filing requirements set forth in Case No. 2012-00437. The Commission has granted

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<sup>5</sup> Farmers' filing of March 20, 2014, page 1.

<sup>6</sup> *Id.*

similar relief regarding data collection requirements to Nolin and Blue Grass, as mentioned above, and to other electric utilities with a Prepay Program.<sup>7</sup> The Commission finds that Farmers should maintain and file the information it suggested related to the Prepay Program in the near term. Accordingly, for calendar years 2014 and 2015, Farmers should file the following information as a separate report at the time it files its Annual Report:

1. The number of new and total participants;
2. The number of participants who left the Prepay Program and the reasons they left; and
3. The number of participants who allowed their accounts to deplete to zero and were disconnected.

Thereafter, Farmers should maintain records in such a way so as to be able to provide the above information upon request.

IT IS THEREFORE ORDERED that:

1. Farmers' request to be relieved of the filing requirements set forth in Case No. 2012-00437 is granted.
2. Farmers shall track data and maintain records as it requested and as described above, and shall submit the information to the Commission as a separate report filed at the time it files its Annual Reports for 2014 and 2015. Thereafter,

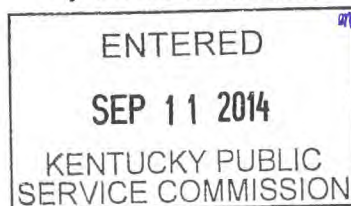
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<sup>7</sup> Case No. 2013-00219, *Application of Jackson Energy Cooperative Corporation for an Adjustment of Rates* (Ky. PSC Feb. 27, 2014); Case No. 2013-00403, *Application of Owen Electric Cooperative, Inc. for Approval of a Prepay Metering Program Tariff* (Ky. PSC Feb. 07, 2014); and Case No. 2014-00262, *Request of Shelby Energy Cooperative for Relief of the Filing Requirements for the Prepay Meter Program* (Ky. PSC Aug. 26, 2014).

Farmers shall maintain its records so as to be able to provide the same information upon request by the Commission.

3. Any documents filed in the future pursuant to ordering paragraph 2 shall continue to reference Case No. 2012-00437 and shall be retained in the utility's general correspondence file.

By the Commission



ATTEST:

  
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Executive Director

Case No. 2014-00311

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