

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF TAYLOR	)	
COUNTY RURAL ELECTRIC COOPERATIVE	)	CASE NO.
CORPORATION FOR APPROVAL TO	)	2020-00278
IMPLEMENT A PREPAY METERING PROGRAM	)	

COMMISSION STAFF'S INITIAL REQUEST FOR INFORMATION  
TO TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION

Taylor County Rural Electric Cooperative Corporation (Taylor County RECC), pursuant to 807 KAR 5:001, is to file with the Commission an electronic version of the following information. The information requested herein is due within ten days of the date of entry of this request. The Commission directs Taylor County RECC to the Commission's March 16, 2020 and March 24, 2020 Orders in Case No. 2020-00085<sup>1</sup> regarding filings with the Commission. The Commission expects the original documents to be filed with the Commission within 30 days of the lifting of the current state of emergency. All responses in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), shall be searchable, and shall be appropriately bookmarked.

Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or

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<sup>1</sup> Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 16, 2020), Order at 5–6. Case No. 2020-00085, *Electronic Emergency Docket Related to the Novel Coronavirus COVID-19* (Ky. PSC Mar. 24, 2020), Order at 1–3.

association or a governmental agency, be accompanied by a signed certification of the preparer or the person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Taylor County RECC shall make timely amendment to any prior response if Taylor County RECC obtains information that indicates the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Taylor County RECC fails or refuses to furnish all or part of the requested information, Taylor County RECC shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention shall be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations. When filing a paper containing personal information, Taylor County RECC shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the application, Exhibit A, proposed tariff sheet for Prepay Service Rider, numbered paragraph 2.

- a. Confirm that if a customer is unable to receive either e-mail, text, or automated phone messages, the customer will not be able to participate in the prepay program.

b. Explain whether an in-home electronic display could eventually become part of this program.

c. Explain whether all of the residential meters that Taylor County RECC currently has in service are compatible with the hardware and software Taylor County RECC will deploy for the proposed prepay metering program.

2. Refer to the application, Exhibit A, proposed tariff sheet for Prepay Service Rider, numbered paragraph 5.

a. Using 1,000 kWh for a month's usage, and using the most current billing factors, provide an example of an end of month true-up bill for a prepay customer and a monthly bill for a non-prepay customer.

b. Show a prepay customer's daily billing update under the above conditions.

3. Refer to the application, Exhibit A, proposed tariff sheet for Prepay Service Rider, numbered paragraph 6.

a. Taylor County RECC states that a one-time service fee of \$30 will be charged to install the equipment for prepay use.

(1) Explain in detail the equipment that would be installed.

(2) Provide justification for the one-time \$30 prepay use equipment installation fee and the \$30 prepay use equipment uninstall fee.

b. Taylor County RECC states that Taylor County RECC may, at its sole discretion, uninstall the equipment upon cessation of participation in the prepay program by the member. Explain under what circumstances Taylor County RECC would uninstall the equipment.

4. Refer to the application, Exhibit A, proposed tariff sheet for Prepay Service Rider, numbered paragraph 10.

a. Taylor County RECC states that members of prepay service may make subsequent payments to their account in any increment they choose with a minimum purchase of \$10.

b. Explain how the minimum amount of \$10 was chosen.

c. Provide a schedule showing the estimated average daily cost under the proposed prepay program.

d. Explain why the minimum incremental purchase should not be a multiple of the average daily cost for a member.

5. Refer to the application, Exhibit A, proposed tariff sheet for Prepay Service Rider, numbered paragraph 15.

a. Provide the URL for Taylor County RECC's website and explain whether Taylor County RECC considered providing its website address in the proposed tariff for informational purposes.

b. Provide screenshot samples of all the prepay program pages that will be available to customers on the website.

6. Refer to the application, Exhibit B, prepay agreement. Also, refer to the application, Exhibit A, proposed tariff sheet for Prepay Service Rider, numbered paragraph 6. Explain why the one-time \$30 equipment installation fee and \$30 equipment uninstall fee is not included in the prepay agreement form.

7. Refer to the application, Exhibit B, prepay agreement, paragraph 10. It states, in part, "if the member has another account(s) which does not have a satisfactory

credit history, the remaining credit will be transferred as a deposit to the unsecured account(s).” Explain how Taylor County RECC determines when an account does not have a satisfactory credit history.

8. Refer to the application, Exhibit C-3, Section C. Provide support for Line 1. Incremental Costs Associated with Prepay and Line 5. Monthly Communications Fees.

9. Refer to the Direct Testimony of John Wolfram (Wolfram Testimony), page 4 of 9, lines 1–3.

a. Explain in detail how the estimate of 5.6 percent of its total members was used in calculating the number of members that will use the program.

b. Provide a schedule of the number of delinquencies, by month, for the last 12 months and the average number of delinquencies for the same period.

c. Provide the estimated monthly number of delinquencies expected after the implementation of the proposed prepay program.

10. Refer to the Wolfram Testimony, page 4 of 9, lines 17–18. Explain in detail the process involved with the installation of the disconnect collar.

11. Refer to Wolfram Testimony, page 4 of 9, line 17. Also, refer to the application, Exhibit A, proposed tariff sheet for Prepay Service Rider, numbered paragraph 27. In regards to the account going into a negative balance the Wolfram Testimony states, “Once a payment is made, service will be reconnected”, while the proposed tariff states, “Once the account balance is positive \$30.00, the account will be reconnected”.

a. Reconcile these two statements.

b. Provide justification for the \$30 additional balance needed for the account to be reconnected.

c. State how long from the time payment is submitted to Taylor County RECC by the customer until service would be reconnected.

12. Refer to the Wolfram Testimony, page 7 of 9, lines 2–4, and lines 15–19.

a. State the approximate time of day in which the account balance would be adjusted daily.

b. State whether reconnection of service would occur on a weekend or holiday if a customer submitted payment on a weekend or holiday.

13. Refer to the Wolfram Testimony, page 4 of 9, lines 8 and 9. State what payment methods available to postpay members are not available to prepay members and provide a justification for not making all payment methods available to all members.

14. Refer to the Wolfram Testimony, page 9 of 9, lines 1 and 2. It states, “Studies have shown that the prepay program reduces energy consumption, which subsequently lowers monthly bills.” Provide copies of these studies.



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Kent A. Chandler  
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Public Service Commission  
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DATED SEP 30 2020

cc: Parties of Record

Case No. 2020-00278

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