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PUBLIC SERVICE
COMMISSION

July 15, 2014

Mr. Jeff Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P O Box 615
Frankfort, KY 40602-0615

RE: PSC Case No. 2013-00129

Dear Mr. Derouen:

We are filing an original and ten (10) copies of this letter requesting relief from some of the data collection requirements that were included in PSC Case No. 2013-00129 as ordered by the Kentucky Public Service Commission ("PSC") relating to its approval of the Shelby Energy Cooperative ("Shelby") Prepay Program. We are seeking the same relief that was granted to Blue Grass Energy in PSC Case No. 2014-00045.

Shelby began the Prepay Program September 1, 2013 and has been successful with 199 members requesting the Prepay Program as of June 30, 2014. We filed the data that was requested in the Appendix of Case No. 2013-00129 (Exhibit 1) with the 2013 PSC Annual Report for forty-nine (49) members participating in the program as of December 31, 2013. The data was gathered manually for this information as our computer system does not have the software to gather the data electronically. Shelby was able to submit the 2013 data in a timely manner, however; the collection and organization of the data as requested in PSC Case No. 2013-00129 was time consuming and burdensome. As the number of participants continues to increase, so does the burdensome responsibility of tracking the data manually for each individual account including previous year information. Therefore; we ask to revise the data required in the appendix of PSC Case No. 2013-00129 to data requested similar to Blue Grass Energy's PSC Case No. 2014-00045 (Exhibit 2).

We are very satisfied with the Prepay Program and consider it to be a beneficial service to our members at this point. The impact of the program for our members has been and continues to be a much needed option for those who are unable to pay a security deposit or for those who wish to manage their energy usage.

Derouen
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It is not unreasonable to think that enrollment in this program will continue to grow as it has over the past ten (10) months. For that reason, we ask for relief similar to Blue Grass Energy's stating that the PSC relieved the filing requirements but for the calendar years 2013, 2014 and 2015 which should be filed annually with its Annual Report as follows:

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

As stated above, Shelby considers this an excellent service for our members and has had good participation thus far. We feel the data requested from Blue Grass Energy in PSC Case No. 2014-00045 would alleviate some of the burdensome and time consuming responsibility as well as provide adequate data for the PSC.

Should you have any questions or need further information, please feel free to contact me at 502-633-4420, Ext 538 or by e-mail at mary@shelbyenergy.com.

As always, your continued assistance, support and cooperation is appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mary Federle".

Mary Federle
Manager, Billing & Customer Service

Enclosures

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00129 DATED **JUL 09 2013**

The information and data to be maintained by Shelby, shall, at minimum, address the following issues.

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.
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 who 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., August 2014 with August 2013, September 2014 with September 2013, October 2014 with October 2013, etc.)

8. Program fee collections, by month, for the time period covered by the report.

9. Program-related cost, by month.

10. Savings and margin losses realized as a result of the program.

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST OF BLUE GRASS ENERGY)	
COOPERATIVE CORPORATION FOR RELIEF)	CASE NO.
OF THE FILING REQUIREMENTS FOR THE)	2014-00045
PREPAY METER PROGRAM)	

ORDER

On June 21, 2013, Blue Grass Energy Cooperative Corporation ("Blue Grass") submitted a letter to the Commission requesting relief from certain data-collection requirements that were ordered in connection with the Commission's approval of Blue Grass's prepay metering program ("Prepay Program") in Case No. 2012-00260.¹ Blue Grass proposes that it be allowed to file the same kind of information that Nolin Rural Electric Cooperative Corporation was ordered to file in Case No. 2013-00037.² This case has been established to address Blue Grass's request. The matter now stands submitted to the Commission for a decision.

DISCUSSION

In Case No. 2012-00260, the Commission approved Blue Grass's proposed Prepay Program and its associated tariff. In its June 21, 2013, letter, Blue Grass states that its Prepay Program has been very successful, and that since the end of 2012, its enrollment in the program has more than tripled. Blue Grass also notes that customer

¹ Case No. 2012-00260, Application of Blue Grass Energy Cooperative Corporation for Approval of a Prepay Metering Program (Ky. PSC Aug. 10, 2012).

² 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 Regulatory Tariff (Ky. PSC Apr. 19, 2013).

interest in the Prepay Program continues to increase, and that as of June 14, 2013, 624 customers had requested to participate in the Prepay Program.

In Case No. 2012-00260, Blue Grass was required to file annually with its Annual Report seven specific items of information regarding its Prepay Program.³ For calendar year 2012, Blue Grass was able to timely file the information requested, but noted that the effort to collect and organize the data requested by the Commission was "extremely time-consuming and burdensome."⁴ Blue Grass states that its computer software does not allow for electronic collection of the data requested and that it must manually collect and organize the data.⁵ Blue Grass claims that as customers continue to enroll in the Prepay Program, "[t]he burdensome responsibility of tracking this data manually for each individual account including previous year information continues to increase."⁶

FINDINGS

Having reviewed the evidence and being otherwise sufficiently advised, the Commission finds that Blue Grass has established good cause to permit it to be relieved of the filing requirements set forth in Case No. 2012-00260. The Commission has granted similar relief regarding data-collection requirements to Jackson Energy Cooperative Corporation and Owen Electric Cooperative, Inc. in Case Nos. 2013-00219⁷ and 2013-00403⁸ respectively. The Commission finds that Blue Grass should

³ Appendix to the August 10, 2012 Order in Case No. 2012-00260.

⁴ Blue Grass filing of June 21, 2013, page 1.

⁵ *Id.*

⁶ *Id.*

⁷ Case No. 2013-00219, Application of Jackson Energy Cooperative Corporation for an Adjustment of Rates (Ky. PSC Feb. 27, 2014).

⁸ Case No. 2013-00403, Application of Owen Electric Cooperative, Inc. for Approval of a Prepay Metering Program Tariff (Ky. PSC Feb. 7, 2014).

maintain and file the information it suggested related to the Prepay Program in the near term. Accordingly, for calendar years 2013, 2014, and 2015, Blue Grass should file the following information annually with its Annual Report:

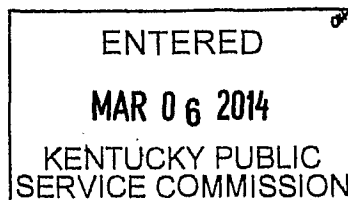
1. The number of new and total participants;
2. The number of participants who left the Prepay Program and the reasons they left; and
3. The number of participants who allowed their accounts to deplete to zero and were disconnected.

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

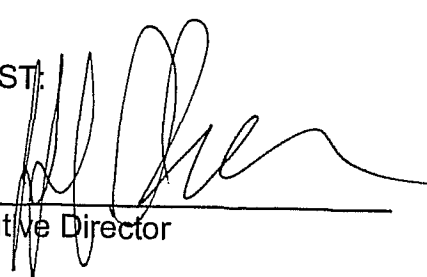
IT IS THEREFORE ORDERED THAT:

1. Blue Grass's request to be relieved of the filing requirements set forth in Case No. 2012-00260 is granted.
2. Blue Grass shall track data and maintain records as it requested and as described above, and shall submit the information to the Commission in a supplemental report filed at the time it files its Annual Reports for 2013, 2014, and 2015. Thereafter, Blue Grass shall maintain its records so as to be able to provide the same information upon request.
3. Any documents filed in the future pursuant to ordering paragraph 2 shall reference this case number and shall be retained in the utility's general correspondence file.

By the Commission



ATTEST:


Executive Director

Case No. 2014-00045