

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST OF SHELBY ENERGY COOPERATIVE)	
FOR RELIEF OF THE FILING REQUIREMENTS FOR)	CASE NO.
THE PREPAY METER PROGRAM)	2014-00262

ORDER

On July 21, 2014, Shelby Energy Cooperative (“Shelby Energy”) submitted a letter to the Commission requesting relief from certain data collection requirements that were ordered in connection with the Commission’s approval of Shelby Energy’s prepay metering program (“Prepay Program”) in Case No. 2013-00129.¹ Shelby Energy notes that the relief it seeks is the same relief for which Blue Grass Energy Cooperative Corporation (“Blue Grass”) sought and received approval from the Commission in Case No. 2014-00045.² This case has been formally established to address Shelby Energy’s request. The matter now stands submitted to the Commission for a decision.

DISCUSSION

In Case No. 2013-00129, the Commission approved Shelby Energy’s proposed Prepay Program and its associated tariff. In its July 15, 2014 letter, Shelby Energy states that its Prepay Program has been very successful, and that since the end of 2013, its enrollment in the program has tripled. Shelby Energy also notes that customer

¹ Case No. 2013-00129, Application of Shelby Energy Cooperative, Inc. for Approval of a Prepay Metering Tariff (Ky. PSC July 9, 2013).

² Case No. 2014-00045, Request of Blue Grass Energy Cooperative Corporation for Relief of the Filing Requirements for the Prepay Metering Program (Ky. PSC Mar. 6, 2014).

interest in the Prepay Program continues to increase and that as of June 30, 2014, 199 customers had requested to participate in the Prepay Program.

In Case No. 2013-00129, Shelby Energy was required to file with its Annual Report ten items of information regarding its Prepay Program.³ The information that Shelby Energy is required to collect and maintain is as follows:

1. The number of participants over the course of the Prepay Program;
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 energy to run down to a negative balance multiple times;
5. The number of participants with arrearage balances at the time of enrollment;
6. The number of participants who had received disconnect notices at their current residence during the 12 months immediately prior to enrolling in the Prepay Program;
7. For all program participants, the month each participant enrolled in the Prepay Program, and individual monthly electric usage and bill amounts, comparing the month in the current year with the same month in the prior year;
8. Program fee collections by month;

³ Appendix to the July 9, 2013 Order in Case No. 2013-00129.

9. Program-related cost by month; and
10. Savings and margin losses realized as a result of the Prepay Program.

For calendar year 2013, Shelby Energy noted that it was able to timely file the information requested, but that the effort to collect and organize the data was “time-consuming and burdensome.”⁴ Shelby Energy states that its computer software does not allow for electronic collection of the data required to be collected, maintained, and produced, and that it must manually collect and organize such data.⁵ Shelby Energy claims that as customer participation in the Prepay Program continues to increase, “the burdensome responsibility of tracking this data manually for each individual account including previous year information” would most likely increase, as well.⁶

FINDINGS

Having reviewed the letter request and being otherwise sufficiently advised, the Commission finds that Shelby Energy has established good cause to permit it to be relieved of the filing requirements set forth in Case No. 2013-00129. The Commission has granted similar relief regarding data collection requirements to Blue Grass, as mentioned earlier; Nolin Rural Electric Cooperative Corporation in Case No. 2013-00037;⁷ Jackson Energy Cooperative Corporation in Case No. 2013-00219;⁸ and Owen

⁴ Letter from Mary Federle, Shelby Energy, Billing and Customer Service Manager, to Jeff Derouen, Executive Director, Public Service Commission (July 21, 2014), p. 1.

⁵ *Id.*

⁶ *Id.*

⁷ 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).

⁸ Case No. 2013-00219, Application of Jackson Energy Cooperative Corporation for an Adjustment of Rates (Ky. PSC Feb. 27, 2014).

Electric Cooperative, Inc. in Case No. 2013-00403.⁹ The Commission finds that Shelby Energy should maintain and file the information it suggested related to the Prepay Program in the near term. Accordingly, for calendar years 2014 and 2015, Shelby Energy 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, Shelby Energy should maintain records in such a way so as to be able to provide the above information upon request.

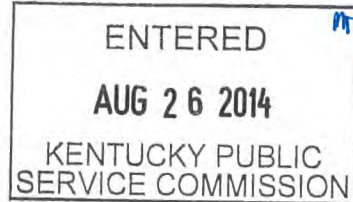
IT IS THEREFORE ORDERED THAT:

1. Shelby Energy's request to be relieved of the filing requirements set forth in the Commission's July 9, 2013 order in Case No. 2013-00129 is granted.
2. Shelby Energy 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, Shelby Energy shall maintain its records so as to be able to provide the same information upon request by the Commission.

⁹ Case No. 2013-00403, Application of Owen Electric Cooperative, Inc. for Approval of a Prepay Metering Program Tariff (Ky. PSC Feb. 7, 2014).

3. Any documents filed in the future pursuant to ordering paragraph 2 shall continue to reference Case No. 2013-00129 and shall be retained in the utility's general correspondence file.

By the Commission



ATTEST:

Executive Director

Debbie J Martin
President & CEO
Shelby Energy Cooperative, Inc.
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