



Farmers Rural Electric Cooperative Corporation

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RECEIVED

March 19, 2014

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PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Case No. 2014-00311


Re: Case No. 2012-00437

Dear Mr. Derouen:

Enclosed for filing is the original and ten (10) copies requesting relief from some of the data collection requirements included in the Public Service Commission (PSC) Case No. 2012-00437 as ordered by the Commission on January 23, 2013 relating to its approval of Farmers Rural Electric Cooperative Prepay Metering Tariff. We are seeking similar relief that was granted in two PSC cases: Nolin RECC, Case No. 2013-00037 and Blue Grass Energy, Case No. 2014-00045.

Farmers started the Pay-As-You-Go program in February, 2013. The program has been very successful with 556 members requesting the program as of March 18, 2014. Farmers filed the data that was requested in the Appendix of Case No. 2012-00437 (Exhibit 1) with our PSC 2013 Annual Report. 435 members participated in the Pay-As-You-Go program during the 2013 calendar year. All data was gathered manually for this report. Our billing software provider, the same used as Blue Grass Energy, does not have the capabilities to gather the requested data. Farmers submitted its 2013 data in a timely-fashion. However, collecting and organizing the information requested was extremely time-consuming and burdensome. Naturally, the burdensome responsibility of tracking this data manually for each individual account will only continue to increase. Therefore, Farmers request that, going forward, the data reporting and collection be similar to Nolin RECC, Case No. 2013-00037 (Exhibit 2) and Blue Grass Energy, Case No. 2014-00045 (Exhibit 3). In the Order to Blue Grass Energy, it should be noted that "The Commission has granted similar relief regarding data-collection requirements to Jackson Energy Cooperative Corporation and Owen Electric Cooperative, Inc. in Case Nos. 2013-00219 and 2013-00403 respectively."

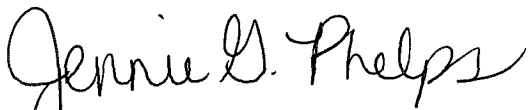
www.farmersrecc.com

A Touchstone Energy® Cooperative 

Farmers considers the Pay-As-You-Go Program to be very successful and we anticipate that the program will continue to grow. Farmers believes that the data requested from Nolin RECC, Case No. 2013-00037, and Blue Grass Energy, Case No. 2014-00045 would provide adequate and comparable data for the Commission with alleviating some of the burdensome and time consuming responsibility for our Cooperative.

Thank you for your consideration. If you have any questions, please contact me at 270-651-2191 (ext. 8250) or jphelps@farmersrecc.com.

Sincerely,

A handwritten signature in black ink that reads "Jennie G. Phelps". The signature is written in a cursive style with a large initial "J".

Jennie Gibson Phelps
Vice President, Finance & Accounting
Farmers Rural Electric

Enclosures

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2012-00437 DATED JAN 23 2013

The information and data to be maintained by Farmers 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 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

Exhibit 1
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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.)

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

FILING OF NOLIN RURAL ELECTRIC)	
COOPERATIVE CORPORATION FOR)	
APPROVAL TO ELIMINATE ITS PILOT PREPAY)	CASE NO.
PROGRAM AND FOR APPROVAL OF A)	2013-00037
PERMANENT PREPAY PROGRAM)	
REGULATORY TARIFF)	

ORDER

The Commission, on its own motion, HEREBY ORDERS that the Findings and Orders paragraphs and the Ordering paragraphs of its April 19, 2013 Order are amended, *nunc pro tunc*, to read as follows:

FINDINGS

Having reviewed the evidence and being otherwise sufficiently advised, the Commission finds that Nolin's proposed tariff should be approved as of the date of this Order. The Commission also finds that Nolin should be relieved of the filing requirements set forth in Case No. 2011-00141,¹ but that for calendar years 2013, 2014, and 2015, Nolin 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 tariff and the reasons they left; and
3. The number of participants who allowed their accounts to deplete to zero and were disconnected.

¹ Case No. 2011-00141, *Application of Nolin Rural Electric Cooperative Corporation for Approval of a Prepay Metering Pilot Program Tariff* (Ky. PSC Jun. 20, 2011).

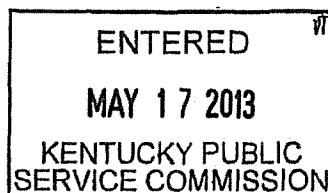
Exhibit 2
Page 1 of 2

Thereafter, Nolin 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. Nolin's proposed tariff is approved for service on and after the date of this Order.
2. Nolin is relieved of the filing requirements set forth in Case No. 2011-00141.
3. Nolin shall make annual filings for calendar years 2013, 2014, and 2015 as set forth in the Findings above, and thereafter, maintain its records so as to be able to provide the same information upon request.
4. Within ten days of the date of this Order, Nolin shall file with the Commission, using the Commission's electronic Tariff Filing System, its revised tariff sheets indicating the date of issue, the effective date, and that they were issued by authority of this Order.

By the Commission



ATTEST

Executive Director

Case No. 2013-00037

Exhibit 2
Page 2 of 2

COMMONWEALTH OF KENTUCKY
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).

Exhibit 3
Page 1 of 4

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.

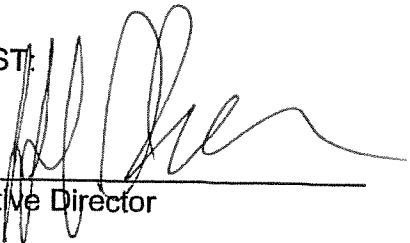
IT IS THEREFORE ORDERED THAT:

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

ENTERED
MAR 06 2014
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2014-00045

Exhibit 3
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