

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST OF SALT RIVER ELECTRIC)	
COOPERATIVE CORPORATION FOR RELIEF OF)	CASE NO.
THE FILING REQUIREMENTS FOR THE PREPAY)	2014-00407
METER PROGRAM)	

ORDER

On November 19, 2014, Salt River Electric Cooperative Corporation (“Salt River”) submitted a letter to the Commission requesting relief from certain data collection requirements that were ordered in connection with the Commission’s approval of Salt River’s voluntary prepay metering pilot program (“Prepay Program”) in Case No. 2012-00141.¹ Salt River notes that the relief it seeks is the same relief for which Nolin Rural Electric Cooperative Corporation (“Nolin”), Blue Grass Energy Cooperative Corporation (“Blue Grass”), and Farmers Rural Electric Cooperative Corporation (“Farmers”) sought and received approval from the Commission in Case No. 2013-00037,² Case No. 2014-00045,³ and Case No. 2014-311,⁴ respectively. In addition, Salt River requests that the pilot Prepay Program be made permanent. This case has been formally established to

¹ Case No. 2012-00141, Application of Salt River Electric Cooperative Corporation for Approval of a Prepay Metering Pilot Program Tariff (Ky. PSC July 11, 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 Program Regulatory Tariff (Ky. PSC May 17, 2013).

³ 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).

⁴ Case No. 2014-00311, Request of Farmers Rural Electric Cooperative for Relief of the Filing Requirements for the Prepay Meter Program (Ky. PSC Sept. 11, 2014).

address Salt River's request. The matter now stands submitted to the Commission for a decision.

DISCUSSION

In Case No. 2012-00141, the Commission approved Salt River's proposed Prepay Program and its associated tariff. In its November 19, 2014 letter, Salt River states that its Prepay Program has been very successful, with 1,263 members participating as of November 10, 2014. In the Commission's Final Order in Case No. 2012-00141, Salt River was required to file with its Annual Report the following information regarding its Prepay Program:⁵

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 shut-off.

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

⁵ Appendix to the July 11, 2012 Order in Case No. 2012-00141.

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 2012 with August 2011, September 2012 with September 2011, etc.)

For calendar years 2012 and 2013, Salt River 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.”⁶ Salt River states that its computer service does not have the software to gather the requested data electronically, and that much of the information is gathered manually.⁷ Salt River claims that the burden of manually tracking individual account data will continue to increase as the number of customers choosing the Prepay Program increases, and therefore Salt River requests that in the future its data collection requirements be similar to those of Nolin, Blue Grass, and Farmers.

Salt River also states in its letter that due to the overwhelming success of the Prepay Program, it is requesting that the program be changed from a pilot program to a permanent program.

⁶ Salt River’s filing of November 19, 2014, page 1.

⁷ *Id.*

FINDINGS

Having reviewed the letter request and being otherwise sufficiently advised, the Commission finds that Salt River has established good cause to permit it to be relieved of the filing requirements set forth in Case No. 2012-00141. The Commission has granted similar relief regarding data collection requirements to Nolin, Blue Grass, and Farmers, as mentioned earlier, and to other electric utilities with a Prepay Program.⁸ The Commission finds that Salt River should maintain and file the information it suggested related to the Prepay Program in the near term. Accordingly, for calendar years 2014 and 2015, Salt River 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.

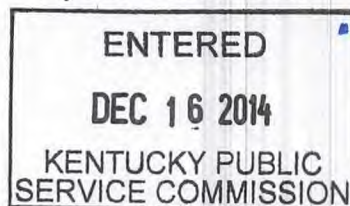
Thereafter, Salt River should maintain records in such a way so as to be able to provide the above information upon request. The Commission also finds that Salt River's request to change the Prepay Program from a pilot program to a permanent program should be granted.

⁸ 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).

IT IS THEREFORE ORDERED THAT:

1. Salt River's request to be relieved of the filing requirements set forth in Case No. 2012-00141 is granted.
2. Salt River's request to change the Prepay Program from a pilot program to a permanent program is granted.
3. Salt River 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, Salt River shall maintain its records so as to be able to provide the same information upon request by the Commission.
4. Within 20 days from the date of this Order, Salt River shall file with the Commission, using the Commission's electronic Tariff Filing System, its revised tariff sheets removing reference to the tariff as a pilot program, as having an expiration date, and showing the date of issue and that it was issued by authority of this Order.
5. Any documents filed in the future pursuant to ordering paragraph 3 shall continue to reference Case No. 2012-00141 and shall be retained in the utility's general correspondence file.

By the Commission



ATTEST:



Executive Director

Case No. 2014-00407

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