

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GRAYSON RURAL ELECTRIC COOPERATIVE	)	
CORPORATION REQUEST FOR RELIEF FROM	)	CASE NO.
SOME OF THE DATA COLLECTION	)	2016-00295
REQUIREMENTS ORDERED IN CASE NO. 2012-	)	
00426	)	

ORDER

On August 12, 2016, Grayson Rural Electric Cooperative Corporation (“Grayson”) submitted a letter to the Commission requesting relief from certain data-collection requirements that were ordered in connection with the Commission’s approval of Grayson’s prepay metering program (“Prepay Program”) in Case No. 2012-00426.<sup>1</sup> Grayson notes that the relief it seeks is the same relief for which Nolin Rural Electric Cooperative Corporation received approval in Case No. 2013-00037;<sup>2</sup> Jackson Energy Cooperative Corporation received approval in Case No. 2013-00219;<sup>3</sup> Owen Electric Cooperative, Inc. received approval in Case No. 2013-00403;<sup>4</sup> Blue Grass Energy

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<sup>1</sup> Case No. 2012-00426, *Application of Grayson Rural Electric Cooperative Corporation for an Adjustment of Rates* (Ky. PSC July 31, 2013) (“2012-00426 Order”).

<sup>2</sup> 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).

<sup>3</sup> Case No. 2013-00219, *Application of Jackson Energy Cooperative Corporation for an Adjustment of Rates* (Ky. PSC Feb. 27, 2014).

<sup>4</sup> Case No. 2013-00403, *Application of Owen Electric Cooperative, Inc. for Approval of a Prepay Metering Program Tariff* (Ky. PSC Feb. 7, 2014).

Cooperative Corporation received approval in Case No. 2014-00045;<sup>5</sup> Shelby Energy Cooperative received approval in Case No. 2014-00262;<sup>6</sup> Farmers Rural Electric Cooperative received approval in Case No. 2014-00311;<sup>7</sup> and Salt River Electric Cooperative Corporation received approval in Case No. 2014-00407.<sup>8</sup> This case has been formally established to address Grayson's request. The matter now stands submitted to the Commission for a decision.

### DISCUSSION

In the 2012-00426 Order, the Commission approved Grayson's proposed Prepay Program and its associated tariff. In its August 9, 2016 letter, Grayson states that its Prepay Program has been very successful, and that since the inception of the program on August 1, 2013, its enrollment in the program has reached 547. Grayson also notes that the number of customers choosing the Prepay Program continues to increase. It states that the program offers a needed option for members unable to pay a deposit or who wish to manage their usage, and because of this it expects enrollment to continue to grow.

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<sup>5</sup> 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).

<sup>6</sup> 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).

<sup>7</sup> 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).

<sup>8</sup> Case No. 2014-00407, *Request of Salt River Electric Cooperative Corporation for Relief of the Filing Requirements for the Prepay Meter Program* (Ky. PSC Dec. 16, 2014).

In the 2012-00426 Order, Grayson was required to file with its Annual Report ten items of information regarding its Prepay Program.<sup>9</sup> The information that Grayson 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;
9. Program-related cost by month; and

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<sup>9</sup> Appendix B to the 2012-00426 Order.

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

For calendar years 2013 through 2015, Grayson 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.”<sup>10</sup> Grayson 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 gather most of the data.<sup>11</sup> Grayson 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” continues to increase.<sup>12</sup>

#### FINDINGS

Having reviewed the letter of request and being otherwise sufficiently advised, the Commission finds that Grayson has established good cause to permit it to be relieved of the filing requirements set forth in 2012-00426 Order. The Commission has granted similar relief regarding data collection requirements to the cooperatives mentioned earlier. The Commission finds that Grayson should maintain and file the information it suggested related to the Prepay Program in the near term. Accordingly,

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<sup>10</sup> Letter from Kim Bush, Grayson, Manager of Marketing and Member Services, to Talina Mathews, Executive Director, Public Service Commission (August 12, 2016) at 1.

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

for calendar years 2016 and 2017,<sup>13</sup> Grayson 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, Grayson 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. Grayson's request to be relieved of the filing requirements set forth in the 2012-00426 Order is granted.
2. Grayson 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 2016 and 2017. Thereafter, Grayson shall maintain its records so as to be able to provide the same information upon request by the Commission.
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.

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<sup>13</sup> Grayson's letter request asked that the more limited information required herein be reported for calendar years 2014 and 2015. Grayson's 2014 and 2015 Annual Reports contained all the information required in the Commission's Order in Case No. 2012-00426 from which Grayson now seeks relief. The Commission's finding concerning the limited information now required for calendar years 2016 and 2017 is in conformity with our findings in the previously mentioned cases for other cooperatives.

By the Commission

ENTERED  
SEP 13 2016  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

Case No. 2016-00295

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