

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

FILING OF OWEN ELECTRIC	)	
COOPERATIVE, INC. TO IMPLEMENT	)	CASE NO.
AN ADVANCED METERING SYSTEM	)	2018-00354
(AMS) OPT-OUT TARIFF	)	

ORDER

On October 1, 2018, Owen Electric Cooperative, Inc. (Owen Electric), filed a proposed tariff, through the Commission's Electronic Tariff Filing System, to implement an Automatic Meter System (AMS) Opt-Out Tariff. Owen Electric proposed an effective date of November 1, 2018. By Order dated October 26, 2018, the Commission found that further proceedings were necessary to determine the reasonableness of the Opt-Out Tariff and, pursuant to KRS 278.190(2), suspended the proposed Opt-Out Tariff for five months up to and including April 30, 2019, as well as establishing a procedural schedule. In the October 26, 2018 Order, the Commission incorporated by reference the entire case file for Case No. 2012-00468,<sup>1</sup> as well as any responses submitted by Owen Electric in Case No. 2012-00448<sup>2</sup> relating to the meter-reading tariff. Owen Electric responded to one request for information. On January 8, 2019, Owen Electric requested that the case

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<sup>1</sup> 2012-00468 *Application of Owen Electric Cooperative Corporation for Revisions to Its Meter Reading, Tariff to Accommodate Manual Meter Reading charges Instances Where Its Advanced Metering Infrastructure Is Prohibited From Being Utilized For Its Intended Purpose* (Ky. PSC Aug 2, 2013).

<sup>2</sup> 2012-00448 *Application of Owen Electric Cooperative, Inc. for an Adjustment of Rates* (Ky. PSC Aug. 30, 2013).

be submitted for a decision based on the existing record without a hearing. There are no intervenors in this proceeding.

### DISCUSSION

In Case No. 2012-00468, Owen Electric proposed revisions to its meter reading tariff that would have allowed it to charge manual meter reading fees in instances in which its Advanced Metering Infrastructure was prohibited from being utilized. The record in Case No. 2012-00468 was later incorporated into the record of Case No. 2012-00448.<sup>3</sup> On August 2, 2013, at Owen Electric's request, the Commission issued an Order allowing the withdrawal of the application filed in Case No. 2012-00468. Ordering paragraph 3 of that Order stated "Owen shall have the option to submit a future application for Revision to Its Meter Reading Tariff similar to that contained in Case No. 2012-00468 and the entire case file for Case No. 2012-00468, as well as any responses submitted by Owen in Case No. 2012-00448 that relate to this tariff, shall be incorporated by reference."

Under the proposed tariff, Owen Electric's Members (Members) can request that Owen Electric replace their communicating meter with a non-communicating meter. Subsequent to the meter exchange, Owen Electric will manually read the meter and then follow with monthly meter readings. Owen Electric states that the employee time for the meter exchange, and each monthly meter reading and Member account billing and collection service is similar to the employee time identified in Case No. 2008-00154<sup>4</sup> for

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<sup>3</sup> 2012-00468 *Application of Owen Electric Cooperative Corporation for Revisions to Its Meter Reading, Tariff to Accommodate Manual Meter Reading charges Instances Where Its Advanced Metering Infrastructure Is Prohibited From Being Utilized For Its Intended Purpose* (Ky. PSC Aug 2, 2013) at 3.

<sup>4</sup> 2008-000154 *Application of Owen Electric Cooperative, Inc. for Adjustment of Rates* (KY. PSC June 25, 2009).

disconnect or reconnect charges. In that case, Owen Electric justified \$36.53 for each service but requested to implement a charge of \$30, which was approved by the Commission.<sup>5</sup> Owen Electric states that like disconnection or reconnection services, the services associated with the AMS Opt-Out will similarly require a field service representative to visit the Member's meter location to enter account information into Owen Electric's electronic metering and accounting system. Each service also requires that a member service representative record multiple transactions to the Member's electronic account.<sup>6</sup> Due to these similar costs, Owen Electric proposes an initial set-up fee of \$30 and a recurring monthly fee of \$30.

Owen states that the proposed AMS Opt-Out Tariff is not available to a Member who receives service through an instrument rated meter or who is subject to Off-Peak Marketing, Time of Day, Prepay Metering, Net Metering, Cogeneration, Interruptible Service, or Demand-Side Management - Direct Load Control as each of these programs require an AMS meter.<sup>7</sup> Those members who choose to opt-out must fill out an opt-out enrollment form that provides a comparison of AMS and AMS opt-out, including all fees.<sup>8</sup>

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that Owen's proposed AMS Opt-Out Tariff will allow customers who object to a communicating meter to have the option to receive service through a non-

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<sup>5</sup> These fees were established in Case No. 2008-00154 *Application of Owen Electric Cooperative, Inc. for Adjustment of Rates* (KY. PSC June 25, 2009).

<sup>6</sup> Owen Opt-Out Tariff Filing, Exhibit 2, page 1.

<sup>7</sup> *Id.*, Cover Letter.

<sup>8</sup> *Id.*, Exhibit 5.

communicating meter at a charge equal to the current disconnect or reconnect charge.

The Commission finds that this proposed tariff is reasonable and should be approved.

IT IS THEREFORE ORDERED that

1. The proposed AMS Opt-Out tariff and the rates set forth in the Appendix to this Order are approved as of the date of this Order.

2. Within 20 days of the date of this Order, Owen Electric shall, using the Commission's Electronic Tariff Filing System, file a revised tariff sheet setting out the rates set forth in the Appendix to this Order and reflecting that they were approved pursuant to this Order.

3. This case is hereby closed and will be removed from the Commission's docket.

By the Commission



ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2018-00354 DATED **APR 12 2019**

The following rates and charges are prescribed for the customers in the area served by Owen Electric Cooperative, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the effective date of this Order.

Advanced Metering System (AMS) Opt-Out Tariff

Non-recurring Initial Set-up Charge, Billed Upon Meter Exchange	\$30.00
Recurring Monthly Fee, Due Simultaneous with Monthly Usage Fees:	\$30.00

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