




A Touchstone Energy Cooperative 

October 1, 2018

Ms. Gwen R. Pinson, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602

RE: Owen Electric Cooperative ("OEC") proposed Advanced Metering System ("AMS") Opt-Out Tariff.

Dear Ms. Pinson:

Attached for electronic filing are OEC's revised tariff sheets that are necessary to include a provision for an OEC Member-Owner to opt out of OEC's AMS. The AMS Opt-Out Tariff is not available to a Member who receives service through an instrument rated meter or who is subject to any of the following OEC tariffs, which require an AMS meter: 1) Off-Peak Marketing; 2) Time of Day; 3) Prepay Metering; 4) Net Metering; 5) Cogeneration; 6) Interruptible Service; or 7) Demand Side Management – Direct Load Control.

The proposed AMS Opt-Out Tariff, and supporting documents, is attached hereto as follows:

Exhibit 1	Clean Copy of Tariff Sheet
Exhibit 2	Cost Justification for the Rates included in the AMS Opt-Out Tariff
Exhibit 3	Public Notice
Exhibit 4	Affidavit Verifying Publication of Notice in Kentucky Living Magazine
Exhibit 5	AMS Opt-Out Enrollment Form
Exhibit 6	Communicating Meter Acceptance Form

Pursuant to the requirements of 807 KAR 5:011, OEC provided notice to its members of the tariff revision in the Kentucky Living Magazine published on October 1, 2018. OEC also posted the notice of tariff revision at its office located at 8205 HWY 127 North, Owenton, Kentucky. OEC will post the notice on its website within five (5) business days of the date the tariff revision was submitted to the Commission. The website notice will include a hyperlink to the Commission's website where the tariff can be found.

Please contact me with any questions.

Very truly yours,
OWEN ELECTRIC COOPERATIVE



Mark A. Stallons
President & CEO

Enclosures

Cost Justification for AMS Opt-Out Tariff

Owen Electric Cooperative's ("OEC") current tariff includes a Collection Charge, a Reconnection Charge, and a Disconnection Charge each in the amount of \$30. These fees were established by Order of the Kentucky Public Service Commission ("KPSC") dated June 25, 2008, in Case No. 2008-00154. The Cost Justification Sheet prepared by OEC in Case No. 2008-00154 to support these non-recurring charges is attached hereto as Exhibit 3, Page 2 of 2. As shown on Page 2 of 2, OEC determined the actual cost of each service to be \$36.53; however, OEC requested that a \$30 charge be approved. The KPSC agreed and allowed the \$30 charge even though it was below OEC's actual cost.

As shown on Exhibit 3, Page 2 of 2, the \$30 charge authorized in Case No. 2008-00154 was based on OEC's operating costs for the year ended December 31, 2007. Also, Page 2 of 2 shows that OEC assumed each service for which a \$30 charge would be collected required 30 minutes of time worked by a Field Service Representative ("FSR") and 15 minutes by a Member Service Representative ("MSR").

Pursuant to OEC's proposed Opt-Out Tariff, an OEC Member may elect to have their communicating meter exchanged for a non-communicating meter. Subsequent to the meter exchange, OEC will manually read the Member's meter in order to perform and complete the Member's monthly billing and collection cycle.

OEC anticipates the meter exchange, and each monthly meter reading and Member account billing and collection service that occurs thereafter, will require an amount of employee time that is not materially different than the employee time identified in Case No. 2008-00154 that is necessary to complete a field collection, a service disconnection, or a service reconnection. Each of these services, including the AMS Opt-Out, similarly require an FSR to visit the Member's meter location to input account information into OEC's electronic metering and accounting system and each service requires that an MSR record multiple transactions to the Member's electronic account. As a result, the cost to provide each service is similar.

At this time, OEC requests that the KPSC accept Exhibit 3, Page 2 of 2, as cost justification for the rates include in OEC's proposed AMS Opt-Out Tariff. These rates include a \$30 charge to be assessed at the time a Member's communicating meter is exchanged for a non-communicating meter and a \$30 charge to be assessed each time the Member's non-communicating meter is read thereafter.

OEC further requests that the KPSC approve the proposed rates as part of the AMS Opt-Out Tariff. Although these rates are less than the actual cost of providing the service, as illustrated on Exhibit 3, Page 2 of 2, they are consistent with the KPSC's Order in Case No. 2008-00154. OEC may request in a future filing that the \$30 rates requested herein be adjusted to the actual cost of providing the AMS Opt-Out Tariff.

Owen Electric Cooperative
PSC Case No. 2008-00154
Non Recurring Charges
December 31, 2007

Return Check Charge:

		<u>Estimated Hours</u>	<u>Per Hour</u>	<u>Amount</u>
Number of Minutes	<u>40</u>			
Direct labor charge		66.7%	\$19.43	\$12.95
Direct wage expense		66.7%	\$2.75	1.83
Other cost based on labor	\$19.43	66.7%	29.76%	3.86
Other direct cost per hour		66.7%	\$9.89	6.59
Bank charge - Average				<u>7.50</u>
Total charges				<u>\$32.73</u>
Proposed charge				<u>\$25.00</u>

Meter Reading, Collection, Disconnect-Reconnect Charge:

	<u>Per Hour</u>	<u>Collection</u>	<u>Disconnect & Reconnect</u>	<u>Meter Test</u>	<u>Overtime</u>
Serviceman:					
Number of minutes		<u>30</u>	<u>60</u>	<u>60</u>	<u>90</u>
Direct labor charge	\$20.63				\$46.42
Direct labor charge	\$22.51	\$10.32	\$20.63	\$22.51	
Direct labor charge	\$26.87	\$1.46	\$2.92	\$2.92	
Direct wage expense	\$2.92				
Other cost based on labor	29.76%	\$3.07	\$6.14	\$6.70	\$13.82
Other direct cost	\$9.89	\$4.95	\$9.89	\$9.89	
Mileage	<u>15</u>	\$0.485	\$7.28	\$14.55	
Mileage	<u>30</u>	\$0.485			\$14.55
Office Clerical:					
Number of minutes		<u>15</u>	<u>30</u>	<u>20</u>	<u>20</u>
Direct labor charge	\$19.43	\$4.86	\$9.72	\$6.48	\$6.48
Direct wage expense	\$2.75	\$0.69	\$1.37	\$0.92	\$0.92
Other cost based on labor	29.76%	\$1.45	\$2.89	\$1.93	\$1.93
Other direct cost	\$9.89	\$2.47	\$4.95	\$3.30	\$3.30
Total		<u>\$36.53</u>	<u>\$73.05</u>	<u>\$54.63</u>	<u>\$87.40</u>
Proposed Charge		<u>\$30.00</u>	<u>\$60.00</u>	<u>\$50.00</u>	<u>\$80.00</u>

Notice of Filing

Owen Electric Cooperative (“OEC”) gives notice that it has requested to amend its tariff on file with the Kentucky Public Service Commission (“KPSC”) so an OEC Member may opt out of OEC’s Advanced Metering System (“AMS”). If approved by the KPSC, a Member participating in the AMS Opt-Out Tariff may elect to have OEC exchange their communicating meter with a non-communicating meter. The AMS Opt-Out Tariff would not be available to a Member who receives service through an instrument transformer rated meter or who is subject to any of the following OEC tariffs: 1) Off-Peak Marketing; 2) Time of Day; 3) Prepay Metering; 4) Net Metering; 5) Cogeneration; 6) Interruptible Service; or 7) Demand Side Management – Direct Load Control.

A Member participating in the AMS Opt -Out Tariff will be subject to the following rates and charges, if approved by the KPSC.

Non-recurring initial set-up fee, due upon meter exchange	\$30
Recurring monthly fee, due simultaneous with monthly usage fees	\$30

The rates contained in the tariff filing, and in this notice, are the rates proposed by OEC. The KPSC may order rates to be charged that differ from the rates proposed by OEC.

OEC will submit the proposed AMS Opt-Out Tariff to the KPSC on October 1, 2018. If approved by the KPSC, the tariff will become effective November 1, 2018, and OEC will then begin accepting AMS Opt-Out Tariff Enrollment Forms from Members.

A person may examine OEC’s tariff filing, and any related documents, at the KPSC’s offices located at 211 Sower Boulevard, Frankfort, Kentucky 40602, Monday through Friday, 8:00 a.m. to 4:30 p.m. or through the KPSC’s website at <http://psc.ky.gov>. A person may also view the tariff filing and related documents at OEC’s main office, located at 8205 HWY 127 North, Owenton, Kentucky 40359.

Comments regarding the tariff filing may be submitted to the KPSC through its website at <http://psc.ky.gov>, or by mail to the KPSC, P.O. Box 615, Frankfort, Kentucky 40602. Also at this mailing address, a person may submit to the KPSC a timely written request for intervention establishing the grounds for the request including the status and interest of the party. If the KPSC does not receive a written request for intervention within thirty (30) days of the date of this publication, the KPSC may take final action on the tariff filing.

**AFFIDAVIT OF MAILING
OF FILING NOTICE**

Notice is hereby given that the October 2018 issue of *KENTUCKY LIVING*, bearing official notice of filing with the Public Service Commission for the purposes of amending their Advanced Metering System (AMS) tariff by **OWEN ELECTRIC COOPERATIVE**, was entered as direct mail on September 25, 2018.

Shannon Brock

Shannon Brock
Managing Editor
Kentucky Living

County of Jefferson
State of Kentucky

Sworn to and subscribed before me, a Notary Public,
This 26 day of September, 2018.
My commission expires _____



Tralese Morgan

Notary Public, State of Kentucky

Kentucky Association of Electric Cooperatives Inc.
P.O. Box 32170 | Louisville, KY 40232
1630 Lyndon Farm Court | Louisville, KY 40223

(502) 451-2430
(800) KY-LIVING (800) 595-4846
Fax: (502) 459-1611

www.kentuckyliving.com

Advanced Metering System (“AMS”) Opt-Out Enrollment Form

Under Owen Electric’s AMS Opt-Out Tariff, certain Members may exchange a communicating meter with non-communicating meter. To be considered for enrollment in the AMS Opt-Out Tariff, please complete this Enrollment Form and return by mail to: Owen Electric Cooperative, Attention: Meter Exchange Program, PO Box 400, Owenton, KY 40359. Additionally, you can email the completed form to meterexchange@owenelectric.com or fax it to 502-484-2661.

Eligibility:

- All Owen Electric Members except for those who receive service through an instrument rated meter or who is subject to any of the following OEC tariffs: 1) Off-Peak Marketing; 2) Time of Day; 3) Prepay Metering; 4) Net Metering; 5) Cogeneration; 6) Interruptible Service; or 7) Demand Side Management – Direct Load Control. A communicating meter is required to provide service pursuant to these tariffs.
- Must not have more than three (3) cutoffs for non-payment in a fifteen (15) month period.
- To maintain eligibility in the AMS Opt-Out Tariff, a Member must not exceed three (3) cutoffs for non-payment in a fifteen (15) month period.

Compare AMS to AMS Opt Out

AMS – No additional cost	AMS Opt-Out Tariff is \$30 per month.
Provides real-time energy use information; power outages can be detected instantaneously.	Does not provide real-time data; power outages cannot be detected instantaneously.
Vehicle emissions and Co-op’s operating costs reduced.	Vehicle emissions and Co-op’s operating costs increased.
Member Privacy Increased.	Member Privacy Decreased.
Risk of employee injury decreased.	Risk of employee injury increased.

Member Information (please print)

Last Name		First Name	
Account Number			
Service Address			
City, State, Zip			
Phone		Email Address	
Is it okay to update your account with the above phone number? Yes <input type="checkbox"/> No <input type="checkbox"/> Alternate Phone number:			
Any meter access issues we should be aware of: <input type="checkbox"/> Yes (please describe below) <input type="checkbox"/> No			
<input type="checkbox"/>	I want to participate in Owen Electric’s AMS Opt-Out Tariff and request that Owen Electric exchange the communicating meter assigned to my account with a non-communicating meter. By checking this box, I certify that I am the authorized member account holder and acknowledge that a meter that requires a field visit will be installed at this address. I am aware of and agree to the applicable charges and all ongoing meter reading fees identified in Owen Electric’s tariff that is on file with the Kentucky Public Service Commission. I understand that I must remain in the Opt-Out Tariff for a period not less than 12 months after the communicating meter is replaced with a non-communicating meter.		
Sign Here:		Date:	

Members who choose to participate in the Advanced Meter Exchange Program will receive a phone call to confirm their program selection. For more information about the Advanced Meter Exchange Program, visit www.owenelectric.com. If you have questions, or prefer to speak to one of our member service representatives, please call 1-800-372-7612.

Communicating Meter Acceptance Form

This form must be prepared by a Member that desires to withdraw from currently participating in the Advanced Metering System Opt-Out Tariff and desires to have a communicating meter installed.

Please complete all fields below and return by mail to: Owen Electric Cooperative, Attention: Advanced Meter Exchange Program, PO Box 400, Owenton, KY 40359. Additionally, you can email the completed form to meterechange@owenelctric.com or fax it to 502-484-2661.

Member Information (please print)

Last Name		First Name	
Account Number			
Service Address			
City, State, Zip			
Phone		Email Address	
Is it okay to update your account with the above phone number? Yes <input type="checkbox"/> No <input type="checkbox"/> Alternate Phone number:			
Any meter access issues we should be aware of: <input type="checkbox"/> Yes (please describe below) <input type="checkbox"/> No			
<input type="checkbox"/>	I currently receive service through a non-communicating meter pursuant to Owen Electric's AMS Opt-Out Tariff. By checking this box, I certify that I am the authorized member account holder and I am requesting to withdraw from Owen Electric's AMS Opt-Out Tariff. As a result of my withdrawal, I understand and acknowledge that Owen Electric will replace the non-communicating meter assigned to my account with a communicating meter.		
Sign Here:		Date:	

For more information about the Advanced Meter Exchange Program, visit www.owenelectric.com. If you have questions, or prefer to speak to one of our member service representatives, please call 1-800-372-7612.

FOR Entire Territory Served

PSC KY NO. 6

Original SHEET NO. 66

Owen Electric Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

_____ SHEET NO. _____

Advanced Metering System (“AMS”) Opt-Out Tariff

Pursuant to the AMS Opt-Out Tariff, a Member may elect to have Owen Electric replace their communicating meter with a non-communicating meter. The replacement meter may be a solid state meter, which may be a communicating meter that has its communicating equipment deactivated. The AMS Opt-Out Tariff is not available to a Member who receives service through an instrument rated meter or who is subject to any of the following Owen Electric tariffs: 1) Off-Peak Marketing; 2) Time of Day; 3) Prepay Metering; 4) Net Metering; 5) Cogeneration; 6) Interruptible Service; or 7) Demand Side Management – Direct Load Control.

To request a meter exchange, a Member must submit to Owen Electric a completed and signed AMS Opt-Out Enrollment Form obtained from Owen Electric. Members accepted into the AMS Opt-Out Tariff will be assessed the following fees in addition to all other rates and charges that are applicable to the Member’s account pursuant to Owen Electric’s tariff.

Non-recurring Initial Set-up Charge, Billed Upon Meter Exchange	\$30
Recurring Monthly Fee, Due Simultaneous with Monthly Usage Fees	\$30

Once a Member’s communicating meter is replaced with a non-communicating meter, the Member will remain in the AMS Opt-Out for no less than twelve (12) months. A Member desiring the reinstallation of a communicating meter after twelve (12) months must submit to Owen Electric a completed Communicating Meter Acceptance Form obtained from Owen Electric.

Owen Electric reserves the right to refuse to provide, or continue to provide, service pursuant to the AMS Opt-Out Tariff when any of the following circumstances exist:

- 1) the Member has poor credit history;
- 2) the Member denies Owen Electric access to a meter;
- 3) the Member has a history of meter tampering or theft of service; or
- 4) the service connection creates a danger to the Member, the public, or an Owen Electric employee.

DATE OF ISSUE October 1, 2018
MONTH / DATE / YEAR

DATE EFFECTIVE Service rendered on and after November 1, 2018
MONTH / DATE / YEAR

ISSUED BY 
SIGNATURE OF OFFICER

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____