



**Big Sandy Rural Electric  
Cooperative Corporation**

504 11th Street  
Paintsville, Kentucky 41240-1422  
(606) 789-4095 • Fax (606) 789-5454  
Toll Free (888) 789-RECC (7322)

**RECEIVED**

**APR 11 2013**

**PUBLIC SERVICE  
COMMISSION**

**April 8, 2013**

**Mr. Jeff Derouen, Executive Director**

**Ky Public Service Commission**

**211 Sower Blvd.**

**P. O. Box 615**

**Frankfort, KY 40602-0615**

**RE: Case #2012-00425 Acceptance of Pilot Status of Prepay Program Rider Tariff**

**Dear Mr. Derouen,**

**Big Sandy RECC concurs with the Commission and accepts the terms of a Prepay Program as a pilot program for a period of three years.**

**Please find enclosed an original of Big Sandy's Prepay Metering Tariff modified in accordance to recommendations of the Commission Staff and a copy of the Agreement for Participation.**

**Big Sandy RECC will gather the information and data ordered in reference to Case No. 2012-00425 and submit an annual report.**

**If you have any questions, please feel free to contact me anytime.**

**Sincerely,**

A handwritten signature in cursive script that reads "David Estep".

**David Estep, President & General Manager**

**Big Sandy RECC**

**606-789-4095, ext #229**

DE/jm

BIG SANDY RURAL ELECTRIC  
COOPERATIVE CORPORATION

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CLASSIFICATION OF SERVICE  
PREPAY METERING PROGRAM

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**PREPAY METERING PROGRAM**

**STANDARD RIDER**

Voluntary Prepay Electric Service is a rider to Rate Schedule A-1 (Farm and Home) as defined by the Cooperative.

**AVAILABILITY OF SERVICE**

All Rate Schedule A-I (Farm and Home) accounts, excluding accounts on Levelized Billing, Budget Billing, auto draft, net metering, three phase accounts, and accounts greater than 200 amp service, within the territory served by the Cooperative.

**TYPE OF SERVICE**

Prepaid Electric Service.

**RATES**

In addition to the Customer Charge and KWH charge for Rate Schedule A-1 (Farm and Home), there will be:

**Monthly Program Fee: \$8.86 (\$0.30 per day)**

**TERMS & CONDITIONS**

Prepay Electric Service is a voluntary program. Members who qualify for this program as defined above in "AVAILABILITY OF SERVICE" may choose to voluntarily enroll their electric account (s) in this program. All members who participate in the Prepay Electric Service are subject to the following:

1. An agreement for Prepay Electric Service must be signed by the member for each account enrolling in the Prepay Electric Service. The term of the agreement is for one year. Special consideration may be made to terminate the one year requirement based upon the needs and circumstances of the member.
2. Members must confirm that he/she can receive electronic communications (email, text, and automated phone messages) to participate in the voluntary prepay program.
3. At the time a member moves his/her status to a prepay account; the initial required payment for electricity is \$100. Members may apply funds in any amount to their prepay account(s) as they choose and as many times per month as they choose.

DATE OF ISSUE: March 28, 2013 DATE EFFECTIVE: \_\_\_\_\_

ISSUED BY: David Estep  
TITLE: PRESIDENT AND GENERAL MANAGER

Issued by authority of an Order of the Public Service Commission of Kentucky in  
Case No. 2012-00425 Dated: March 28, 2013

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**BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION**

**PREPAY METERING PROGRAM - CONTINUED**

4. Members may apply funds to their prepay account(s) by the same means as post pay member. These include payments through Big Sandy RECCs website, (except for Levelized Billing, Budget Billing, auto pay, and net metering) check by phone, debit card / credit card by phone, or check /money order by mail or by payment at the office.

5. If a member elects to enroll an account in prepay and has a deposit on the account, the deposit will be applied to the account before the account changes to prepay. Any credit remaining on the account will be applied to the prepay account. However, if the member has another account(s) which does not have a satisfactory credit history, the remaining credit will be transferred as a deposit to the unsecured account(s). The deposit will only be refunded by applying it to the member's account(s) as described.

6. If a member elects to enroll an account in prepay, the total amount of any existing payment arrangements/contracts will be applied to the account so the full unpaid balance will be reflected on the prepay account.

7. Once enrolled in the prepay service, no additional payment arrangements will be made.

8. If a member's post pay account has been disconnected for non-payment and the member chooses the prepay option for the account to be reconnected, the member will be subject to a prepayment plan whereas future payments will be split 30/70 until the unpaid debt is retired. Under this provision, the member will be applying 30% of any funds paid on the prepay account to the unpaid debt. The remaining 70% of the funds will be applied to daily usage on the account.

9. A new member, who previously received service from Big Sandy RECC and discontinued service without paying his/her final bill, (i.e. an uncollectible account) will be required to pay this amount in full or enter a debt reduction plan utilizing the 30/70 split on all future payments prior to establishing prepay service.

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10. Prepay accounts will be billed at least once a day to show the remaining funds on the account. If a meter reading is not available, the account will be estimated for that day. In addition, a month end billing will be done for any unbilled miscellaneous charges. Charges such as program fee, customer charge, KWH, fuel adjustment, environmental surcharge, applicable taxes, franchise fees and outdoor lights will be prorated daily.
11. Prepay accounts will not be subject to deposits, late fees, disconnect fees, and reconnect fees.
12. For a member who request their account to be changed from prepay to post pay, a deposit may be required based on their credit report obtained by Big Sandy RECC at the time of the request.
13. If a payment on a prepay account is returned for any reason, the account is subject to a \$20.00 returned check charge as listed in Big Sandy RECC's Rules and Regulations, Case No. 2005-00125 Appendix B. In addition if an outstanding balance is transferred from another account, the amount of the transfer will be debited to the prepay account. The member will have to apply funds to the account to cover the transfer to keep the account from disconnecting due to a negative balance.
14. If a prepay account is disconnected due to lack of funds or any other reason, the Cooperative shall be held harmless for any damages due to loss of energy services. Likewise, if the account is disconnected and the member applies funds to the prepay account thus causing the account to be reconnected, the member accepts full responsibility for any damages to the location caused by the account being disconnected.
15. A monthly paper bill will not be mailed to members who receive prepay service. However, they may request a copy of their monthly bill or may view it online through MyUsage.com or link on Big Sandy RECC's website – www.bigsandyrecc.com. Big Sandy RECC requests a deviation from 807 KAR 5:006, Section 14 for this Prepay Metering Program rider only.
16. Due to the prepay status of an account, a delinquent notice will not be mailed on prepay accounts as the account should never be in arrears. Big Sandy RECC requests a deviation from 807 KAR 5:006, Section 14 for this Prepay Metering Program rider only.

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17. When the amount of funds remaining on a prepay account reaches the established threshold customized by the member, (Big Sandy recommends \$25), an automated message will be sent to the member rather than a written notice sent by U.S. Mail.

18. All prepay accounts will not be eligible for a Winter Hardship Reconnect, Certificate of Need, or Medical Certificate as outlined in 807 KAR 506, Sections 13, 14, and 15. If a member on a prepay account presents a Certificate of Need, a Medical Certificate or qualifies for a Winter Hardship Reconnect, the member will be required to transfer to a post pay account.

19. A prepay account will be disconnected if the balance of the account becomes negative. The account will be disconnected regardless of weather /temperature as the member is responsible for ensuring that the prepay account is adequately funded. If the member cannot ensure proper funding, Big Sandy RECC recommends the member not utilize the prepay service.

20. A prepay account will be disconnected immediately in cases of theft, tampering, or hazardous code violation.

21. Members who voluntarily choose the prepay service are subject to all rules and regulations outlined in the Cooperative's tariffs and bylaws unless specifically noted above.

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**BIG SANDY RURAL ELECTRIC COOPERATIVE CORPORATION  
AGREEMENT FOR PARTICIPATION IN THE PREPAY PROGRAM**

Member Name		Home Phone	
Account Number		Cell Phone	
Service Address		Cell Carrier	
		E-mail	

The undersigned (hereinafter called the "member") hereby applies for participation in the voluntary Prepay Electric Service Program offered to members of Big Sandy Rural Electric Cooperative Corporation (Hereinafter called the "Cooperative"), and agrees to the following terms and conditions:

1. The member shall purchase electric energy from the Cooperative in accordance with the present and any future rate schedule of the Cooperative on a prepay basis for the above referenced account.
2. The member understands that the terms and conditions set forth in the member's Application for Membership continue to apply in addition to the terms and conditions of this Agreement for Prepay Electric Service, subject, however, to any changes set forth in this agreement.
3. The member shall pay any membership and fees as applicable by the Cooperative bylaws and the Cooperative Rules and Regulations as approved by the Kentucky Public Service Commission as may be required for the member to participate in the Prepay Electric Service Program.
4. Any deposit on the above referenced account will be applied to the account before the account changes to prepay. Any credit remaining on the account will be applied to the prepay account. However, if the member has another account(s) which does not have a satisfactory credit history, the remaining credit will be transferred as a deposit to the unsecured account(s). The deposit will only be refunded by applying it to the member's account(s) as described.
5. As a result of participation in the Prepay Program, the member will not be mailed a monthly paper bill for electric usage or other applicable fees or charges. However, the member may request a copy of their monthly bill or view daily usage online through Big Sandy RECC's website.

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6. The member shall pay an additional daily program fee. This amount will be in addition to the charges included in the Cooperative's rate schedule.
7. If a member changes any of the contact information (i.e. e-mail address, phone number, etc.) provided on this agreement, it is the responsibility of the member to notify the Cooperative of any such changes immediately. It is the member's responsibility to manage their own communication devices and alerts.
8. When the amount of funds remaining on a Prepay account reaches the established threshold customized by the member (\$25.00 is Big Sandy's minimum recommended amount), an automated message will be sent to the member rather than a traditional, written notice sent by U.S. Mail.
9. The member shall be responsible for regularly monitoring the balance on the prepay account and understands that the electric service will be subject to disconnection without any written notification from the Cooperative to the member once the balance of the account reaches a negative balance.
10. Levelized billing, budget billing, automatic payment draft, and net metering are not eligible for Prepay.
11. Should the member have a payment returned for any reason, the returned payment will be charged to the prepay account. The member's account may also be charged a return payment fee in addition to the returned payment amount. If there are not sufficient funds to cover the returned item and fee, the account will be subject to disconnection immediately.
12. If a Prepay account is disconnected due to lack of funds or any other reason, the Cooperative shall be held harmless for any damages due to loss of energy services. Likewise, if the account is disconnected and the member applied funds to the Prepay account thus causing the account to be reconnected, the member accepts full responsibility for any damages to the location caused by the account being reconnected and holds the Cooperative harmless from any damages arising from such a reconnection.
13. By signing this agreement, the member affirms, there are no residents in the home currently that have medical conditions that will be impacted by loss of service. Should this status change, the member shall contact the Cooperative in writing, upon which the account will be removed from the prepay program. It is the responsibility of the member to confirm the Cooperative is in receipt of the written request for removal from the program.
14. A prepay account will be disconnected if the balance of the account becomes negative. The account will be disconnected regardless of weather/temperatures as the member is responsible for ensuring that the prepay account is adequately funded. If the member cannot ensure proper funding, Big Sandy recommends the member not utilize the prepay service.
15. Prepay accounts shall not be eligible for payment arrangements with the Cooperative and energy assistance shall not be applied until received as payment on the member's prepay account.
16. If a member on a prepay account presents a Certificate of Need, a Medical Certificate or qualifies for a Winter Hardship Reconnect, the member will be required to transfer to a post pay account.

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17. The member's post pay account to the prepay account. The member also authorizes the KWH used since the last bill date until the meter is changed to prepay meter be calculated and transferred to the prepay account. The member further agrees that thirty percent (30%) of any payments made on this account in the future shall be applied to the balance until said balance is paid in full. Any fees/penalties (returned payment, meter tampering, etc.) shall be paid before any payments are applied to the member's prepay account.

18. If a member wishes to disconnect service, the member shall be refunded any balance on the prepay account. Any refund will be processed in the same manner as post pay account refunds.

19. The member confirms that he/she can receive communications to be eligible for the prepay program.

20. The term of this agreement shall be for one (1) year. After one year, the member may elect to opt out of the prepay program at any time. If discontinuing after one year, the member will have to meet the requirements of a non-prepaid member for continued service.

Member Signature: \_\_\_\_\_ SSN: \_\_\_\_\_ Date: \_\_\_\_\_

Member Signature: \_\_\_\_\_ SSN: \_\_\_\_\_ Date: \_\_\_\_\_

CSR Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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Office use only	
SO number _____	Date installed _____
Customer number: _____	Post by _____
Comments: _____	
_____	