

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

FILING OF NOLIN RURAL ELECTRIC)	
COOPERATIVE CORPORATION FOR)	
APPROVAL TO ELIMINATE ITS PILOT PREPAY)	CASE NO.
PROGRAM AND FOR APPROVAL OF A)	2013-00037
PERMANENT PREPAY PROGRAM)	
REGULATORY TARIFF)	

ORDER

On January 14, 2013, Nolin Rural Electric Cooperative Corporation (“Nolin”) submitted a tariff filing requesting to convert its PrePay Metering Pilot Program (“Pilot Program”) into a permanent program. Nolin’s proposed tariff had an effective date of February 14, 2013. On February 11, 2013, the Commission found that an investigation was necessary to determine the reasonableness of Nolin’s request and suspended the proposed tariff up to and including July 13, 2013. Commission Staff issued, and Nolin responded to, one information request. The matter now stands submitted for a decision.

DISCUSSION

In Case No. 2011-00141,¹ the Commission approved, with modifications, Nolin’s proposed Pilot Program and the associated tariff for a period of three years beginning June 20, 2011. The Pilot Program was limited to 300 customers. The Commission’s Order in that case required Nolin to file any request for further action related to the Pilot Program no later than six months prior to the end of the three-year pilot period.

¹ Case No. 2011-00141, Application of Nolin Rural Electric Cooperative Corporation for Approval of a Prepay Metering Pilot Program Tariff (Ky. PSC Jun. 20, 2011).

In its January 14, 2013 filing, Nolin states that the Pilot Program has been successful and is approaching the 300-customer limit after only 18 months. As a result, Nolin is requesting that the Pilot Program be converted to a permanent tariff. Nolin maintains that the Pilot Program has resulted in reduced usage for participating members and has benefited participants by providing another payment option for members who have difficulty budgeting their income. Nolin also states that it has benefited from the Pilot Program because most participants utilize its website to make payments, which allows Nolin employees more time to handle other issues. In addition, Nolin notes that its call center has seen a reduction in calls from Pilot Program members regarding high bills, requests for payment extensions, and non-pay disconnections.

In Case No. 2011-00141, Nolin was required to annually file seven specific items of information regarding its Pilot Program. If its proposed tariff is approved, Nolin proposes to provide that information for the period between January 1, 2013² and the date on which the tariff is approved, but to discontinue tracking and submitting that information from that point forward. It states that this partial-year report would be submitted in a timely manner once the proposed tariff is approved and the pilot, at that point, terminated. In response to an information request, Nolin states that collecting and organizing the information required in the 2011-00141 order is “extremely time-consuming and burdensome.”³ Nolin states that if the burden of the annual filing is not

² Nolin has previously filed annual reports that provided information through December 31, 2012.

³ Nolin’s response to Item 2.b. of Commission Staff’s Initial Information Request, filed March 20, 2013.

lifted, it will have to re-evaluate its ability to continue to offer prepay metering to its members.⁴

FINDINGS AND ORDERS

Having reviewed the evidence and being otherwise sufficiently advised, the Commission finds that Nolin's proposed tariff should be approved. The Commission also finds that Nolin should be relieved of the filing requirements set forth in Case No. 2011-00141⁵ but that for calendar years 2013, 2014, and 2015, Nolin should file the following information annually with its annual report:

1. The number of new and total participants;
2. The number of participants who left the prepay tariff and the reasons they left; and
3. The number of participants who allowed their accounts to deplete to zero and were disconnected.

Thereafter, Nolin should maintain records in such a way so as to be able to provide the above information upon request.

IT IS THEREFORE ORDERED THAT:

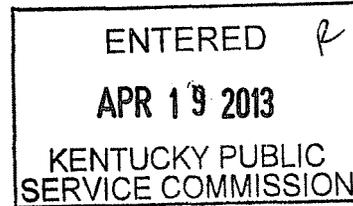
1. Nolin's proposed tariff is approved.
2. Nolin is relieved of the filing requirements set forth in Case No. 2011-00141.

⁴ *Id.*

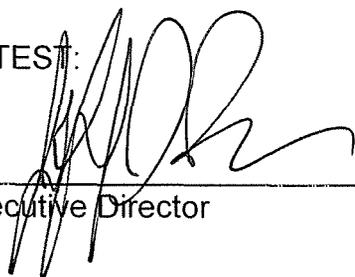
⁵ This decision relieves Nolin of the need to file the information required by the Commission in Case No. 2011-00141 for the portion of 2013 the Pilot Program was operating.

3. Nolin shall make annual filings for calendar years 2013, 2014, and 2015 as set forth in the Findings and Orders paragraph above, and thereafter, maintain records so as to be able to provide the same information upon request.

By the Commission



ATTEST:



Executive Director

Case No. 2013-00037

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