

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

ELECTRONIC ALLEGED FAILURE OF CLARK)	CASE NO.
ENERGY COOPERATIVE, INC. TO COMPLY)	2023-00005
WITH KRS 278.160(2))	

RESPONSE OF CLARK ENERGY COOPERATIVE, INC.
TO THE COMMISSION'S ORDER OF FEBRUARY 16, 2023

On February 16, 2023, the Kentucky Public Service Commission (“Commission”) issued an Order directing Clark Energy Cooperative, Inc. (“Clark Energy”), to file a written response to the alleged violations set forth in the Order. For its response to the February 16, 2023 Order Clark Energy respectfully states as follows:

1. Clark Energy reviewed its billing system to determine any other instances where balances from one member’s account was transferred to another member’s account similar to the situation in the Trusty complaint.
2. Clark Energy’s billing system cannot differentiate between the reasons balances are transferred to different accounts. For instance, customers moving service from one address to another, changing from a joint account to a single account, etc.
3. Clark Energy Staff reviewed the printouts from the billing system for the past three years, approximately two hundred pages per year, and determined that the instances included in Exhibit A could be similar to the situation in the Trusty complaint.

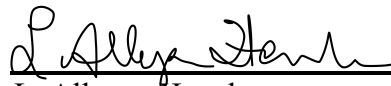
4. Clark Energy does not agree that it charged a rate that was not a tariffed rate. All charges incurred by Geneva Trusty were tariffed charges for service provided to Geneva Trusty.
5. Clark Energy does not believe that it should be assessed a penalty under KRS 278.990 for the transfer of Geneva Trusty's unpaid balance. KRS 278.990 requires a violation to be a "willful" violation before assessing a penalty. Clark Energy did not willfully violate any provision of KRS Chapter 278. Clark Energy believed that it was in compliance with regulations when it transferred the balance from Geneva Trusty's account. Clark Energy did not transfer the past due balance on Geneva Trusty's account until proof of residence was provided to Clark Energy. An assistance voucher was presented to Clark Energy in the name of Geneva Trusty for Katrina Trusty's service address even though Geneva Trusty had a past due balance on her own account. In addition, Geneva Trusty's membership application for Clark Energy listed Katrina Trusty's service address as Geneva Trusty's address at the time of applying for membership. Clark Energy believed that it could transfer the unpaid balance due to these factors and the fact that Geneva Trusty was receiving the benefit at Katrina Trusty's service address.
6. Clark Energy is owned by its members. When past due balances are not able to be collected from members it costs all of Clark Energy's members. Clark Energy believed it was acting in the best interest of its members when transferring the balance of Geneva Trusty's account to the account of her daughter with whom she was living, after receiving proof of residency.

7. Since the Commission's Order in the Trusty complaint, Clark Energy has conducted training with its customer service representatives ("CSR") and has placed procedures in place to make sure that this type of balance transfer does not happen in the future. No balance can be transferred to a different account, for any reason, without approval of either the Vice-President Finance and Office Services or the Office Services Supervisor. This will make sure that the type of transfer that occurred in the Trusty complaint will not occur in the future.
8. For the foregoing reasons, Clark Energy denies that its actions were willful.
9. Clark Energy requests that no penalties be assessed against it in this matter due to the lack of willfulness on the part of Clark Energy. Clark Energy is a member owned cooperative and diligently tries to do what is in the best interests of its members. When Clark Energy received the Commission's Order in the Trusty complaint, it immediately put procedures into place to make sure that no further incidents of this type occurred.

NOW, THEREFORE, Clark Energy respectfully requests that it not be assessed a penalty for the transfer of Geneva Trusty's account.

This 8th day of March, 2023.

Respectfully submitted,




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CERTIFICATE OF SERVICE

This is to certify that foregoing electronic filing was transmitted to the Commission on March 8, 2023, that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding; and that pursuant to the Commission's July 22, 2021 Order in Case No. 2020-00085, no paper copies of the filing will be made.



Counsel for Clark Energy Cooperative, Inc.

From		To		Transfer		Billing Notes
Name	Account #	Name	Account #	Amount	Date	
[REDACTED]	994421	[REDACTED]	842522	846.90	1/24/2020	Received assistance voucher in [REDACTED] name for [REDACTED] account.
[REDACTED]	3072003	[REDACTED]	1679632	72.05	1/29/2020	Received assistance voucher in [REDACTED] name on [REDACTED] account.
[REDACTED]	2043422	[REDACTED]	2224814	186.24	1/30/2020	Received assistance voucher in [REDACTED] name on [REDACTED] account.
[REDACTED]	1332910	[REDACTED]	1252019	242.72	1/30/2020	Received assistance voucher in [REDACTED] name on [REDACTED] account.
[REDACTED]	1342112	[REDACTED]	1656227	259.94	2/6/2020	Account 1342112 was a rental property that both [REDACTED] and [REDACTED] were tenants. This was confirmed by the landlord. Different service address.
[REDACTED]	2692501	[REDACTED]	90710	190.91	6/2/2020	Received a voucher in [REDACTED] name for [REDACTED] account.
[REDACTED]	2118026	[REDACTED]	1727013	21.10	7/10/2020	[REDACTED] called office to have service in Husbands name turned on (1727013). She also provided her SSN# from that Clark located her past due balance and transferred it.
[REDACTED]	2482418	[REDACTED]	1843814	4.20	8/4/2020	[REDACTED] received assistance on this account.
[REDACTED]	2067614	[REDACTED]	2025213	613.14	8/11/2020	[REDACTED] included on lease with [REDACTED]
[REDACTED]	2180215	[REDACTED]	717211	840.45	9/28/2020	Received payment assistance vouchers in [REDACTED] name for [REDACTED] account.
[REDACTED]	1709019	[REDACTED]	3734203	103.03	10/20/2020	[REDACTED] received payment assistance voucher for [REDACTED] account.
[REDACTED]	2482341	[REDACTED]	2203452	1,356.23	11/12/2020	[REDACTED] received energy assistance voucher in her name at this address.
[REDACTED]	989017	[REDACTED]	2012326	125.88	11/18/2020	[REDACTED] received energy assistance voucher for [REDACTED] account.
[REDACTED]	1685712	[REDACTED]	3846200	483.36	12/2/2020	[REDACTED] called office regarding a bill at [REDACTED] account/service location. [REDACTED] stated she lived at [REDACTED] service location. Led to balance transfer.
[REDACTED]	990025950	[REDACTED]	4125100	520.75	12/15/2020	No notes in billing system to determine reason for transfer.
[REDACTED]	1820212	[REDACTED]	1820212	141.62	1/6/2021	No billing notes recorded indicating why account balance was transferred.
[REDACTED]	551312	[REDACTED]	3799200	251.99	1/29/2021	[REDACTED] contacted Clark Energy to update 911 address. She stated she lived at the service location in [REDACTED] name.
[REDACTED]	1415010	[REDACTED]	1292311	62.25	4/13/2021	[REDACTED] account was disconnect for nonpayment. [REDACTED] was living at service location and contacted Clark Energy to have service restored to account.
[REDACTED]	1099310	[REDACTED]	1089111	177.41	10/27/2021	No billing notes recorded indicating why account balance was transferred.
[REDACTED]	3339610	[REDACTED]	876321	42.09	1/13/2022	[REDACTED] was living at this service location. No notes indicating how this determination was made.
[REDACTED]	1655612	[REDACTED]	1340317	227.22	4/27/2022	Based on information received from [REDACTED], [REDACTED] are his parents. Clark received an assistance voucher for [REDACTED] account in [REDACTED] name. [REDACTED] was previously the joint account holder on [REDACTED] account.
[REDACTED]	2807601	[REDACTED]	2203035	309.63	5/11/2022	Received assistance voucher in [REDACTED] name for this account.
[REDACTED]	2647304	[REDACTED]	3714609	226.58	8/1/2022	Received assistance voucher in [REDACTED] name for this account.