

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF CLARK)	
ENERGY COOPERATIVE, INC. FOR APPROVAL)	CASE NO.
OF A PREPAID METERING TARIFF)	2019-00011

COMMISSION STAFF'S FIRST REQUEST FOR
INFORMATION TO CLARK ENERGY COOPERATIVE, INC.

Clark Energy Cooperative, Inc. (Clark Energy), pursuant to 807 KAR 5:001, is to file with the Commission the original in paper medium and an electronic version of the following information. The information requested herein is due on or before April 17, 2019. Responses to requests for information in paper medium shall be appropriately bound, tabbed, and indexed. Electronic documents shall be in portable document format (PDF), and shall be searchable and shall be appropriately bookmarked.

Each response shall include the name of the witness responsible for responding to the questions related to the information provided. Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Clark Energy shall make timely amendments to any prior response if they obtain information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any request to which Clark

Energy fails or refuses to furnish all or part of the requested information, they shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When filing a paper containing personal information, Clark Energy shall, in accordance with 807 KAR 5:001, Section 4(10), encrypt or redact the paper so that personal information cannot be read.

1. Refer to the application, Exhibit A, proposed tariff sheet for Prepay Service Rider.

a. Clark Energy states that the agreement for prepay service shall be for one year. After the one year, explain whether the agreement is automatically renewed or the member has to sign another agreement.

b. Clark Energy states that members of prepay service may make subsequent payments to their account in any increment they choose with a minimum purchase of \$10. Explain how the minimum amount of \$10 was chosen.

2. Refer to the application, Exhibit B, the testimony of Holly S. Eades (Eades Testimony), at page 1 of 3.

a. Provide a copy of the bill format that prepay program participants receive in the form of a text and via electronic mail.

b. State whether the proposed Facility Charge is billed daily and provide the amount of the daily Facility Charge.

c. Regarding an automated message being sent to a prepay program participant, explain how the “three (3) days of usage” threshold is determined for a prepay program participant. Include in the explanation the methodology used to calculate a prepay program participant’s 3-day usage level.

3. Refer to Eades Testimony, page 1 of 3.

a. Explain what will occur if a customer requests to terminate before the one-year period has ended and if a charge will be assessed to the customer. Provide any cost support if a charge will be assessed.

b. After the customer has completed the one-year term, explain whether the contract converts to a month-to-month agreement.

4. Refer to the Eades Testimony, on page 2 of 3.

a. Provide the basis to support Clark Energy’s expectation that 75 members will elect to participate in the prepay program during the first year and an additional 75 members will participate each year for the following six years. Include in the response the identity of the other distribution cooperatives that Clark Energy polled and the responses provided by those distribution cooperatives.

b. Explain why Clark Energy is of the belief that it is not possible to quantify the benefits, or savings, referenced in the response to question 13.

c. Explain why a prepay program participant will need to have a new meter.

d. Explain why Clark Energy used six (6) years to estimate the number of customers that will sign up for the program.

e. Refer to question 14. Clark Energy notes that the meter will be changed in the field.

(1) Explain why the current meter must be exchanged.

(2) Explain whether the new meter has an incremental cost difference from the current meter. If it does, explain why this incremental difference is not included in the Prepay Service Cost Estimates.

5. Refer to the Eades Testimony, page 3 of 3. Clark Energy does not propose a transaction fee stating that post-pay members are not charged a transaction fee.

a. Confirm that post-pay members typically incur one transaction per month.

b. Provide the number of transactions a typical prepay meter customer engages per month.

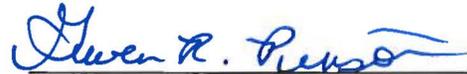
c. If the answer to (b) above is greater than one, explain why the prepay customer should not pay for the additional transactions.

d. If the answer to (b) above is one, provide support for this assumption.

6. Refer to the Eades Testimony, Attachment 3, regarding the purchase order with National Information Solutions Cooperative, Inc. (NISC). Explain in detail how NISC was selected to be the prepay program software vendor and discuss whether Clark Energy submitted bids for the prepay program software.

7. Explain whether a member will be refunded any balance on the Prepay Metering Program account if the member wishes to disconnect service. If yes, explain whether the refund will be processed in a manner similar to post-pay account refunds.

8. Explain whether Clark Energy will discuss all aspects of the Prepay Metering Program so that the member is fully informed before signing the agreement of participation.



Gwen R. Pinson
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DATED APR 05 2019

cc: Parties of Record

Case No. 2019-00011

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