



ORIGINAL

NEW APPLICATION



0000132761

Sulphur Springs Valley Electric Cooperative

A Touchstone Energy® Cooperative

311 E. Wilcox, Sierra Vista AZ 85635

2011 DEC -7 P 2:09

AZ CORP COMMISSION
STAMP CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

- GARY PEARCE, Chairman
- BOB STUMP
- SANDRA D. KENNEDY
- PAUL NEWMAN
- BRENDA BURNS

Arizona Corporation Commission

DOCKETED

DEC - 7 2011

DOCKETED BY	nr
-------------	----

IN THE MATTER OF THE APPLICATION OF
 SULPHUR SPRINGS VALLEY ELECTRIC
 COOPERATIVE, INC. FOR A NEW
 EXPERIMENTAL PRE-PAID RESIDENTIAL
 SERVICE TARIFF.

DOCKET NO. E-01575A-11-E-01575A-11-0439

**NEW EXPERIMENTAL RESIDENTIAL RATE
TARIFF**

Sulphur Springs Valley Electric Cooperative, ("SSVEC") hereby submits an application for a new Experimental Pre-Paid Residential Tariff. The long term goal of this tariff is to provide SSVEC's Member/Owners with another payment option that provides flexibility to match their payment preferences. This tariff will be completely voluntary. SSVEC also requests that this application be approved on an experimental basis until its next rate case or one year from when the first customer takes service under the tariff, whichever occurs first. While SSVEC waives the Arizona Corporation Commission's ("Commission's") time clock rule requirements for processing a new tariff, it does request that the Commission approve this application as soon as possible due to the limited availability of grant funds that will partially offset the capital costs to provide this service.

All communications concerning this application should be sent to:

David Bane
Sulphur Springs Valley Electric Cooperative, Inc.
311 East Wilcox
Sierra Vista, Arizona 85635
520-515-3472
dbane@ssvec.com

With a copy to:

Kirby Chapman
Sulphur Springs Valley Electric Cooperative, Inc.
311 East Wilcox
Sierra Vista, Arizona 85635
520-515-3457
kchapman@ssvec.com

RESPECTFULLY SUBMITTED this 7th day of December, 2011

By 
David Bane
Key Account Manager
Sulphur Springs Valley Electric Cooperative, Inc.

Original and thirteen (13) copies filed this
7th day of December 2011 with:

Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

By _____



Sulphur Springs Valley Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 

Application for
Experimental
Pre-Paid Residential Electric
Tariff

Docket E-01575A-11-_____

Submitted to

Arizona Corporation Commission

By

Kirby Chapman
Chief Financial Officer

520-515-3457

and

David Bane
Key Account Manager

520-515-3472

Contents

Executive Summary	3
Background.....	4
Goals	4
Advertising and Promotion of Rate	4
Request for Expedited Ruling	5
Availability	5
Applicability	5
Service Availability Charge and kWh Rates	6
Billing Adjustments (DSM, WPFCA, Taxes, and REST)	6
Additional Equipment Costs	6
Service Conditions	7
Remote Disconnection of Service.....	9
Customer Notification of Disconnection	10
Service Conditions Applicable to Prepaid Metering Service Only	11
Comments on specific portions of Section 2.28:.....	11
Availability: Subsection A	11
Enrollment: Subsection B	11
Billing, Payments and Information: Subsection C	11
Estimating Prepaid Balances and Notices: Subsection D	11
Transfers and Debt Recovery: Subsection E	12
Terminating and Restoring Service: Subsection F	12
Monitoring of Consumer Comments.....	13
Pre-Paid Service as a DSM effort.....	13
Point of Contact.....	14
Attachment A	15
“Money Miser” Prepaid Metering.....	15
Attachment B.....	17
EXPERIMENTAL OFFER TARIFF	17

Executive Summary

Sulphur Springs Valley Electric Cooperative, Inc. (SSVEC) submits this application for an Experimental Pre-Paid Residential Service Tariff.

SSVEC has a desire to offer our Member/Owners an additional payment options. Technology has reached a point of development that will allow SSVEC to offer this as a cost effective option. We feel there is a segment of our membership who would like to have more control over their energy payments or those members who does not want to provide a security deposit which would be served by the new rate. The rate design is such that it follows the standard residential rate by taking the monthly fixed charges and breaking them down in to daily rates. The charges that are based on kWh consumption are exactly the same as the standard residential rate.

SSVEC would like to begin with a small and manageable pilot project test group and then increase participation in the Pre-Paid Service as we gain experience. Based on available hardware, program evaluation, and customer responses, SSVEC would limit participation to a level it feels is appropriate.

There is some discussion within the electric industry as to whether or not Pre-Paid Accounts act to modify the consumer's energy consumption to qualify this as a DSM measure. As part of the monitoring of the rate we are prepared to provide Staff with pre-program kWh consumption and post-program kWh consumption along with a control group of residential customers who did not participate in the Pre-Paid Service to see if this tariff does modify behavior and reduce kWh consumption.

The following submission explains the program in more detail and includes a draft customer handout and the proposed tariff.

Background

SSVEC has developed an extensive AMR/AMI infrastructure and along with the availability of compatible remote connect and disconnect hardware, that the ability to offer a Pre-Paid residential service is both economical and feasible. SSVEC has researched other Pre-Paid metering programs to find the components that best fit into our infrastructure and billing system. The following narrative is an explanation of the proposed tariff (see Attachment B).

Goals

SSVEC requests that this tariff be experimental until its next rate case or until one year after the first customer has signed up, whichever comes first. . The goals of this program are to:

- Identify a reasonable and appropriate customer base which includes educating the public on the benefits and responsibility of a Pre-Paid Service.
- Develop a program design to meet the needs of the customer
- Determine the proper hardware, software, and program design.
- Ensure that the program does not impact or transfer costs to other rate classes.

The permanent rate may differ slightly from the experimental rate bases on the lessons learned from the pilot rate and advances in technology that may give SSVEC more options for the benefit of the customer.

Advertising and Promotion of Rate

All promotional activities will stress that this is a voluntary rate and is not appropriate to all members. Promotional material will explain the benefits and the risks of managing your own credit balance. SSVEC has no intent of marketing this program to any specific type or age group of customer, but offer it simply as an alternative to a Post-Paid account which might require a security deposit that the customer is unable or unwilling to pay and for those customers who want to have more direct control over their energy consumption. Attachment A is a draft promotional handout.

Request for Expedited Ruling

SSVEC has prequalified this pre-paid program as part of a smart grid grant from the Federal Government (DOE). Under this grant SSVEC is reimbursed 50% of approved costs which would be roughly \$900,000 in equipment costs alone. This grant expires in May of 2013 so we request that Staff and the Commissioners to expedite their approval of this tariff so SSVEC can take advantage of these cost reductions.

Availability

The long term goal of this rate is to provide our Member/Owners with another payment option that provides the flexibility to match their payment preferences. This rate will be completely voluntary. SSVEC will take special care to inform our "senior" customers of the benefits and the risks with customers being responsible to maintain a credit balance using the Pre-Paid Service. This rate is not meant to be a lower cost than the normal Post-Paid Service. This rate would not be applicable to Invoice billing (combining multiple accounts into a single invoice) as there is no monthly bill being generated for the pre-paid service. Due to the limits of the billing software customers who are on NET Metering or have a Purchase Power Agreement are not eligible for this rate. For liability purposes SSVEC feels that customers on our Critical Load Program (customers requiring electricity for life supporting medical equipment) should NOT participate in a Pre-Paid program. Because there is special equipment required to provide this rate the Co-op reserves the right to limit participation to available hardware. SSVEC would manage the hardware inventory to have sufficient spares for the customers on the rate, and would use our best effort to meet the demand for the program. Shortages of equipment due to back order of equipment from the suppliers are beyond the control of SSVEC could be a limiting factor for participation.

Applicability

The limitations on the available hardware (at a reasonable cost) will limit participation to those accounts that are residential single phase only. Non Residential accounts with rates that have a Demand component would not be eligible as we have no way to determine or apply a monthly demand. As new rate designs develop or technology changes SSVEC may be able to offer this to other rate classes in the future. SSVEC has the same problem with using this rate for NET Metered customers so it will need to exclude these customers due to the limitations of the hardware and billing software.

Service Availability Charge and kWh Rates

In order to keep the Pre-Paid Metering cost to a minimum, our rate was designed to be a close approximation of the Residential Rate (Rate R) without having to invest in expensive programming to duplicate the corresponding rate exactly. We arrived at the Service Availability Charge (“SAC”) by taking the monthly components of the residential SAC charge $X 12 \div 365$ to come up with a total daily rate. The kWh rate stays the same as standard residential service.

Billing Adjustments (DSM, WPFCA, Taxes, and REST)

This tariff shall be subject to the Demand Side Management (“DSM”) and Wholesale Power and Fuel Cost Adjustor (“WPFCA”) Billing Adjustments are currently approved for all SSVEC rates. We struggled with the limitations of the billing software in trying to determine how to apply the Renewable Energy Standard (“REST”) surcharge. To avoid a costly software modification for an experimental rate, we calculated our average REST collection (for the Residential rate class in 2010) at \$3.11 per month. Again, to keep it simple at this time, we applied the same logic used for the SAC and rounded that to \$0.10 per day for the Pre-Paid accounts. Future software upgrades may allow us to apply the REST surcharge in the same way as the other rates and in the meantime we felt this was a reasonable and fair compromise. Appropriate Taxes and Surcharges as required of all SSVEC rates shall apply.

Additional Equipment Costs

The Remote Connection device has a cost of approximately \$180.00 with an expected 10+ year service life. This breaks down to less than 5 cents per day additional equipment cost. SSVEC is not adding this incremental cost to the rate for the experimental period. We feel that the associated savings from not having to process monthly bills and the related labor costs will recover some of these costs. The costs and savings from this tariff will be included in the next rate case or when we request the rate become permanent, whichever comes first.

Service Conditions

The nature of a Pre-Paid tariff is that the Service Conditions listed below do not apply to the proposed tariff. All of the “exceptions” deal either with deposits, disconnections, or to billing options that require a monthly statement. The specific section and the reasons for not applying them to the proposed Pre-Paid rate are as follows:

- 1) Section 2.4.1 Credit Policy Residential Service
 - Because there is no Monthly Credit extended on Pre-Paid Service the Credit requirements of this section do not apply.
- 2) Section 2.4.4 Exceptions Applicable to Sections 2.4.1 and 2.4.3
 - This section addresses the conditions required to apply a deposit after service has been established and does not apply to Pre-Paid Accounts.
- 3) Section 2.4.5 Deposit Procedures
 - This section details how SSVEC will handle Security Deposits which are not collected on a Pre-Paid Account.
- 4) Section 2.4.6 Schedule of Deposits
 - This section determines the maximum deposit allowed based on the rate class and historic consumption. No Deposits are held on Pre-Paid Accounts.
- 5) Section 2.4.7 Interest on Deposits
 - No Deposits are held on Pre-Paid Accounts so no interest is earned.
- 6) Section 2.8.3 Frequency and Estimated Bills
 - This section requires that the billing periods be maintained between 25 and 35 days. Pre-Paid Accounts do not have a billing cycle and the frequency of payments is at the discretion of the customer.
- 7) Section 2.13 Billing information
 - This section details the required components of a customer’s Monthly bill. There is no monthly bill with Pre-Paid Accounts.
- 8) Section 2.15 Terms of Payments
 - There are no terms associated with Pre-Paid Accounts.

9) Section 2.16.1 Budget Billing

- This is a billing option for Post-Paid Accounts to allow the monthly bill to be the same each month, with the appropriate annual true-up or balancing month. This service is not compatible with a Pre-Paid Account.

10) Section 2.16.2 Surepay Automatic Payments

- This is a billing option for Post-Paid Accounts where the Monthly amount due is automatically by a draft on the customer's financial institution or credit card account. There is no Monthly bill with a Pre-Paid Account.

11) Section 2.19.1 Notice of Delinquent Status

- This section details the requirements to determine when an account is delinquent and what procedures SSVEC must follow to provide the customer with a Delinquent Notice. Pre-Paid Accounts cannot be delinquent because no credit is extended to the customer.

12) Section 2.20.4 Termination Notice Requirements

- This section details the procedure to provide the customer with a Disconnection Notice and what is required to be in the written notice. The Termination of Service on a Pre-Paid Account is in the direct control of the customer.

13) Section 2.20.5 Timing of Termination with Notice

- This section details the procedure SSVEC must follow to provide Notice of a pending disconnection of service. The Termination of Service on a Pre-Paid Account is in the direct control of the customer. Service Conditions 2.28 (D) in the proposed tariff detail the Notices provided to Pre-Paid Accounts.

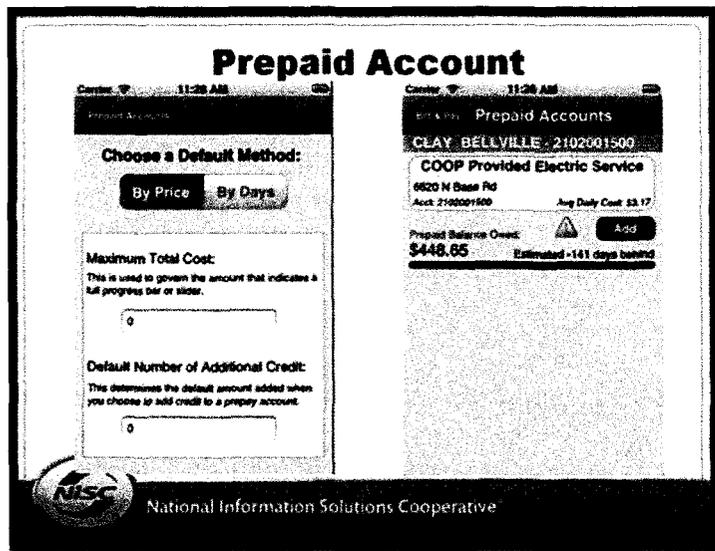
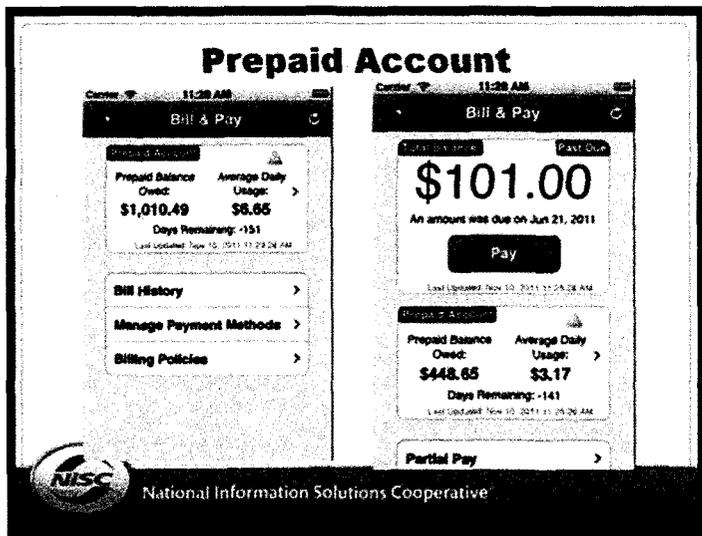
14) Section 2.21 Service Termination Procedure

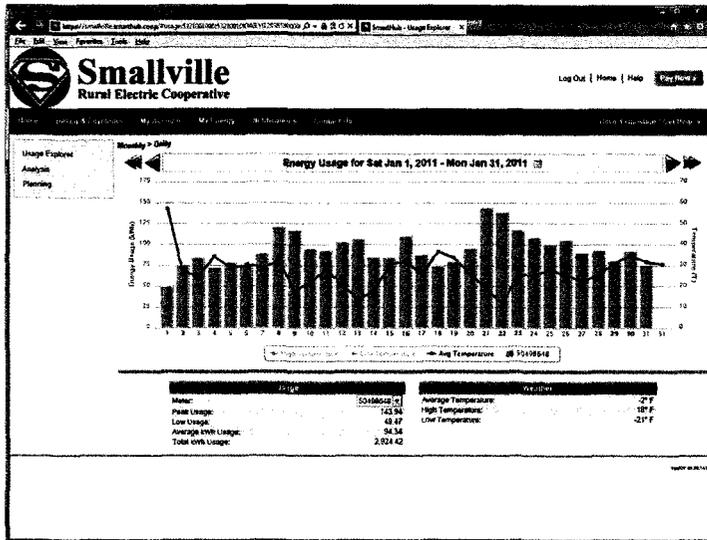
- This section details the requirement that the SSVEC employee who is terminating the service make an effort to contact the customer before termination to allow them the opportunity to make a payment. The equipment used for a Pre-Paid Account does not require a physical visit to either terminate or re-instate service. The customer using a Pre-Paid Account has direct control over the status of the Account and will have received multiple notices regarding a low remaining balance.
- Included in the proposed tariff in Subsection F of the Service Conditions for Pre-Paid Accounts (described below) outlines the Termination and Restoration procedures to be followed by the Cooperative and the customer.

Remote Disconnection of Service

For the pilot portion of the program, disconnects for zero remaining credit would be limited to normal workdays only and then not before 9:00am but no later than 2:00pm. The Pre-Paid service application would highlight this procedure, bring this criterion to the customers' attention and require they initial their understanding and acceptance. Zero Balance disconnects will be suspended (as a rate class) during inclement weather conditions, as defined in the Service Conditions, that also suspends Post Paid Non-Pay Disconnects. The use of this disconnect procedure in the pilot or experimental rate period does not prevent SSVEC from modifying the final Pre-Paid Service to allow for changes in technology or policy.

The following Screen Shots (from Beta level software) illustrate a portion of what the customer will be able to see to monitor their account:





Customer Notification of Disconnection

The software SSVEC has chosen has a major upgrade in progress and will be available in April of 2012 but will add the capability to send notices to multiple phone numbers and e-mails. SSVEC has determined that it makes more sense to wait until the newer version is available and avoid complicating the training and the conversion process.

During the pilot program, once per business day when the customers balance is less than the estimated 4 days left, a notice will be sent via a phone message (multiple numbers), e-mail (multiple addresses), and other future methods of contact as they become available as a viable means of communication. Delivery receipts for e-mail messages will be requested but are not required or even available on all e-mail services.

The Interactive Voice Recognition (IVR) will log the outgoing phone calls but it has no way of determining whether the response is from an answering machine or a disinterested party who happens to answer the phone.

As other Social Media contact methods are made available, SSVEC's goal would be to have some form of delivery receipt be sent back to the Co-op but not all methods of contact will have this option.

Use of this low balance notice procedure in the pilot or experimental rate period does not prevent SSVEC from modifying the final Pre-Paid Service to allow for changes in technology or policy.

Service Conditions Applicable to Prepaid Metering Service Only

Because this is an experimental rate, SSVEC does not believe it is appropriate to modify its currently approved Service Conditions. In lieu of this modification, SSVEC has included these Experimental Service Conditions as part of the tariff. SSVEC has attempted to anticipate potential problems and developed procedures to handle them but can not address all potential issues with a new rate. SSVEC would like to have the flexibility to bring this rate back to the Staff for modification of the Experimental Service Conditions, as needed, to deal with what it learns from using the rate with real people and equipment. Any changes in the tariff involving Rates and Surcharges would be brought before the Commissioners. Examples would be altering the notification method or when the first notice is sent. Because we are not able to test the system with all the forms of evolving social media we are simply starting with what we feel we can deliver. When SSVEC has worked out all the details and request to remove the experimental status, SSVEC would then present an updated Service Conditions filing to include Pre-paid Service and to remove this section from the final tariff.

Comments on specific portions of Section 2.28:

Availability: Subsection A

As explained in the Availability in the tariff section, Pre-Paid Service is not for every customer due to limitations of hardware, software, or too much liability (critical load customers).

Enrollment: Subsection B

SSVEC's current sign up procedure gathers sufficient information for it to use for normal billing. Because SSVEC needs a multi-path communications venue with Pre-Paid Accounts, it would request additional methods for communicating with Pre-Paid Accounts. Since social networks are evolving continuously, this section would be open to new technology that would be affordable to add to SSVEC's infrastructure as an additional method of customer notice options.

Billing, Payments and Information: Subsection C

Depending on the acceptance of this rate and by the desires of SSVEC's Membership, other payment options will be explored that might include payments accepted by 3rd parties. SSVEC has not included this as part of the experimental tariff.

Estimating Prepaid Balances and Notices: Subsection D

The Software will provide reasonable estimates (based on most current use history) to communicate the remaining balance (in estimated days remaining) to the customer. The software vendor may offer additional options for the customer to monitor their account which will be offered to the customers as these options become available. SSVEC may also find that a 4 day notice is too short and increase it based on customer feedback. Through its customer

education efforts, SSVEC will reinforce the concept that the customer is the responsible party when it comes to ensuring that a positive credit balance is maintained on the account.

Transfers and Debt Recovery: Subsection E

Not all customers wanting Pre-Paid service will be brand new customers. This section outlines the requirements for converting the typical post-paid account into the Pre-Paid account. Feedback from other Co-ops indicate that having the ability to spread an outstanding bill over a 4 month period helps the customer by keeping the power on while they pay down an outstanding balance, and it helps the Cooperative collect on accounts that might otherwise not be paid. One of the conditions SSVEC believes that a 6 month waiting period after cancelling a Pre-Paid account for a customer to be eligible to take Pre-Paid service is necessary to prevent rate swap abuse by a small minority of customers who would take advantage of switching tariffs.

Terminating and Restoring Service: Subsection F

SSVEC will initially disconnect Pre-Paid Services only on normal business days during the hours noted above. As part of the evaluation process, SSVEC will determine whether it is appropriate or necessary to have services disconnected on weekends and Holidays when the SSVEC offices are closed. Since there may be a time when the customer's balance has reached the zero amount and our offices are closed, the customer's service would remain on until the next business day. SSVEC wants to keep the customer responsible for the energy consumed during that time and when the account is reconnected this outstanding balance would be paid along with the \$20.00 minimum payment. If the online and phone payment systems function as expected and the hardware and software have the capability, SSVEC may eventually decide to disconnect on Holidays and weekends. SSVEC will also address severe weather and the conditions that would delay disconnection of service at a future date. There may also be a time when the Customer may move and not take the time to notify SSVEC and just let the remaining credit balance "run out". If the customer does not make a payment to reconnect the account after 10 days SSVEC will assume the customer has vacated the home and we will close out the account and send a final invoice to the last known address to be forwarded to the customer.

Monitoring of Consumer Comments

In any new program there will be various issues or questions, and SSVEC will log those as they come in and try to categorize them into specific areas of response. Such as:

- Hardware and Software problems related to physical Connection and Disconnection.
- Notification issues
 - Did not receive notice
 - Insufficient time to respond
 - Failure of customer to provide us with current contact information
 - Failure of customers' e-mail provider to accept message from SSVEC.
- customer not having the ability to pre-pay (which is beyond our control but customer still complain) and payment arrangements are not applicable to Pre-Paid Service.
- Other (complaints other than the types above)

SSVEC will use the feedback from customers to modify the program as needed to eliminate the complaints where it has control. SSVEC will not have control over the customers choice of e-mail providers or the customer's ability to pay but will track these issues and report them in its update to Staff and as part of SSVEC's request to make the rate permanent.

Pre-Paid Service as a DSM effort

There is some anecdotal information that shows that Pre-Paid Services create a higher level of awareness of energy consumption. This higher awareness sometimes leads to a reduction in consumption as people make a conscious effort to lower their energy cost. As part of the pilot program SSVEC would be willing to monitor the Pre-Paid Accounts to see if their daily kWh average changes when compared to their use on their prior Post-Paid Account. SSVEC would also build a "control group" of Post-Paid customers to see if there are variations in weather that would cause a change in the daily average of the Pre-Paid group not related to the higher level of awareness.

Point of Contact

Questions regarding this submission should be directed to:

David Bane
Key Account Manager
311 E. Wilcox
Sierra Vista, AZ 85635

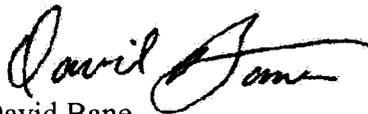
520-515-3472 or dbane@svec.com

With copies to

Kirby Chapman
Chief Financial and Administrative Officer
311 E. Wilcox
Sierra Vista, AZ 85635

520-515-3457 or kchapman@ssvec.com

Respectfully submitted,



David Bane
Key Account Manager
520-515-3472

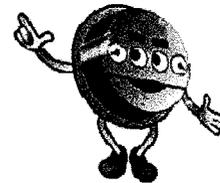
Attachment A

New option for paying for your Electricity From SSVEC

“Money Miser” Prepaid Metering

The Prepaid Metering Program (Money Miser) is designed to give you the member more control over your electric use and more opportunities to reduce their electricity costs. Here are some of the Meter Miser Pre-Paid Service features that are designed to help members:

- Security deposits are not required.
- Smaller multiple payments can be made (as little as \$20.00 at a time).
- Payments can be made over the internet or by phone anytime.
- Disconnect, reconnect, and late fees do not apply.



Money Miser Uses the Latest Technology

While payments can be made and information obtained at the SSVEC business offices during normal business hours, the Money Miser program utilizes the latest in technology to provide members with an easy payment option and access to information 24 hours a day through its Integrated Voice Recognition system (IVR) at (520) 458-4691 or online at www.ssvec.org. The IVR and online website - technology allows you to:

- Make payments at the member's convenience (Minimum of \$20.00).
- Review daily and historical use and payment information.
- Update your contact information

How Does it Work?

With Money Miser Pre-Paid Service you pay for your energy before you use it. Just like filling your gas tank in your car. Each day your meter is read and the daily charge and the energy you have consumed is taken from the amount of money in your Pre-Paid account. When the balance in your Pre-Paid account is less than 4 days worth of your current average consumption, you will receive a phone call and an e-mail from the Money Miser system letting you know it's time to add some funds to your account. (Just like the low fuel light on your car). You will get this message every day until you add money to your account. If you don't add money it will be just like running out of gas in your car, the service turns off until you replenish your account (refill the tank). But, unlike our normal service there is no fee to reconnect or security deposits to pay, you just bring your account current* plus at least an additional \$20.00 for energy.

If this is the plan for you, complete the back of this form and bring it to your SSVEC office.

* Money Miser Accounts are disconnected for zero or negative balances on normal business days between the hours of 9:00am and 2:00pm.

Money Miser Pre-Paid Service Application

I would like to:

- Have my current account with SSVEC changed to a Money Miser Pre-Paid Account
- Open a New SSVEC account using Money Miser Pre-Paid Service.

I understand that Pre-Paid Service is different from normal service and I am responsible to maintain a positive account balance to keep the electricity on. Prepaid accounts will be charged in accordance with SSVEC's Residential Prepaid Tariff RPS and applicable Service Conditions.

Member Responsibility, Agreements, Tariffs

- Electric service is subject to immediate disconnection any time an account does not have a credit balance. _____ (Customer to initial here)
- Service disconnected for inadequate funds will require the outstanding balance be paid plus a future energy payment of at least \$20 to restore service.
- Member authorizes the Cooperative to charge their prepaid account for electric services rendered in accordance with these tariffs.
- While estimates of remaining use will be provided based on current information, which can change for a variety of factors, the member is responsible for maintaining a credit balance on their account.
- The member is responsible for managing and updating the notification settings on their prepaid account. This includes keeping mailing address and contact information current.
- Member *HOLDS HARMLESS SSVEC, its directors, officers, employees, and agents* for damages resulting from disconnecting service in accordance with approved tariffs.

I have carefully read and I understand the terms within the Money Miser Prepaid Metering Agreement and understand the difference between prepaid and post paid service. I am requesting that SSVEC establish prepaid electric service for my account.

Member Signature _____ Date _____

Member Name _____ Account _____

Attachment B

**SULPHUR SPRINGS VALLEY
ELECTRIC COOPERATIVE, INC.**

Page 17

350 N. Haskell Ave.

Willcox, Arizona 85643

Filed by: Creden Huber

Title: CEO/General Manager

Effective Date: _____

EXPERIMENTAL OFFER TARIFF

**RESIDENTIAL PREPAID SERVICE
SCHEDULE RPS**

Availability

Available, on a voluntary basis, to customers in the territory served by the Cooperative for Residential Use throughout the Cooperative's Service Area where the facilities of the Cooperative are of adequate capacity subject to the Cooperative's Service Conditions.

Schedule RPS is not available at locations where the customer is enrolled in the Cooperative's Critical Load Program, or with Invoice Groups which include Loans or Special Billings. Participation allowed under this tariff shall be determined by the Cooperative.

Applicability

Applicable, by request of the customer, to a customer otherwise served under the Cooperative's Rate Schedule R for all Single Family Dwellings when all service is supplied at one Point of Delivery through a single Service Line and Energy is metered through one Meter.

Not applicable to customers that are on Schedule R03 (3-phase), Schedule NM (Net Metering), customers on Budget Billing, or for resale purposes.

Service Availability Charge, kWh Rates, and REST Surcharge

EXPERIMENTAL RATE RPS							
	Power Supply	Distribution Charges					Total Rate
		Metering	Meter Reading	Billing	Access	Total	
Service Availability Charge (\$/customer/Day)		\$0.0743	\$0.0362	\$0.118	\$0.043	\$0.2715	\$0.2715
Energy Charge (\$/kWh) All kWh	\$0.0730				\$0.0487	\$0.0487	\$0.1217
REST (per day)							\$0.10

Billing Adjustments

This rate schedule is subject to the following billing adjustments:

1. Wholesale Power and Fuel Cost Adjustment, Tariff Sheet No. 45.
2. Tax Adjustment, Tariff Sheet No. 45.
3. DSM Adjustment, Tariff Sheet No. 45

Service Conditions

The following Service Conditions of the Cooperative (based on ARS R14-2 -201 to 213)), on file with the ACC, shall NOT apply to this schedule;

- 15) Section 2.4.1 Credit Policy Residential Service
- 16) Section 2.4.4 Exceptions Applicable to Sections 2.4.1 and 2.4.3
- 17) Section 2.4.5 Deposit Procedures
- 18) Section 2.4.6 Schedule of Deposits
- 19) Section 2.4.7 Interest on Deposits
- 20) Section 2.8.3 Frequency and Estimated Bills
- 21) Section 2.13 Billing information
- 22) Section 2.15 Terms of Payments
- 23) Section 2.16.1 Budget Billing
- 24) Section 2.16.2 Surepay Automatic Payments
- 25) Section 2.19.1 Notice of Delinquent Status
- 26) Section 2.20.4 Termination Notice Requirements
- 27) Section 2.20.5 Timing of Termination with Notice
- 28) Section 2.21 Service Termination Procedure

Experimental Service Conditions Applicable to Prepaid Metering Service Only:

Prepaid Electric Service

- A. **Availability:** The Prepaid Electric Service is available only to new or existing residential members with the following exceptions:
- (1) Residential critical load members are excluded from the prepaid electric service program.
 - (2) Invoice groups which include loans or special billings.
 - (3) customer must have a valid e-mail account and phone capable of receiving the messages and low balance alerts.
- B. **Enrollment:** Member must make a request and complete a Prepaid Electric Service Application.
- (1) In addition to the information provided in section 2.3.1, the prepaid applicant is encouraged to provide the following:
 - a. Secondary e-mail address.
 - b. Cell phone number with text capability and/or second phone number.
 - c. Other approved method of communications other than US Postal Mail.
 - (2) The Cooperative will allow enrollment into prepaid service if the customer meets the eligibility requirements.
 - a. The customer must pay all applicable fees prior to commencement of service.
 - b. Once a \$50.00 credit balance has been established the account will be activated.
- C. **Billing, Payments, and Information:** Paper statements will not be provided under the prepaid program. Billing information, as well as payment and account information can be obtained at:
- (1) SSVEC business offices during normal business offices.
 - (2) Integrated Voice Recognition (IVR) at (520) 458-4691.
 - (3) Online at www.ssvec.org 24 hours a day.

D. Estimating Prepaid Electric Balances and Customer Notices:

- (1) As energy is consumed, the credit balance is reduced until either the balance is exhausted or additional payments are added to the balance. Balances can be checked online at www.ssvvec.org at any time.
- (2) SSVEC's web interface can provide an estimate of how long the prepaid credit will last according to current use.
- (3) Customers can be notified of their estimated balance by e-mail, and/or other electronic means if customer provides the necessary contact information.
 - a. The notice will be generated daily when the customers credit balance is less than their current daily average use times 4. The daily average use will be calculated using up to the previous 30 days of consumption history.
 - b. These estimates are based on the historic information available but can be affected by changes in the customer's use or needs. The member is responsible for ensuring that a credit balance is maintained on the account.

E. Transfers and optional Debt Recovery for Outstanding Balances:

- (1) Accounts that are on existing post paid electric service may be converted to pre paid electric service.
- (2) When existing customers that convert from post paid residential service the existing deposit, if any, is applied toward any outstanding balance of the post paid account with the remaining credit applied to prepaid service.
- (3) All post paid fees and unbilled energy charges must be paid in full except for the provisions below:
 - a. Prepaid accounts are not eligible for payment arrangements. However, there is a debt recovery feature available within limits to recover amounts due from the prior post paid account, when applying for prepaid service. A percentage (20% to 50%) of each prepaid electric service payment can be applied to an outstanding debt up to \$400.

- b. Outstanding amounts over \$400.00 must be paid down to the \$400.00 level prior to being eligible for prepaid electric service program.
 - c. The customer agrees to make prepaid payments of sufficient amounts to pay down the outstanding amounts in no more than 4 months.
 - d. If the customer fails to pay the outstanding balance within the 4 months allowed, SSVEC has the right to disconnect the prepaid service until the outstanding balance has been paid in full.
- (4) SSVEC will transfer the existing membership fee on the post paid to the new account where the member will not be required to make an additional payment.
 - (5) The customer may elect to convert from prepaid electrical service back to post paid service. At which time, the Cooperative may require full payment of the deposit to continue service. customers who cancel their Pre-paid Accounts may not re-apply for a new Pre-paid Account at the same location for 6 month period.
- F. Terminating and Restoring Prepaid Electric Service: Prepaid meters are equipped to allow remote disconnection / reconnection of service.
- (1) Service terminated at the request of the member will receive a refund of any remaining credit on the account after all final bill amounts have been calculated.
 - (2) Electric service may be subject to immediate disconnection any time the account does not have a credit balance. Except for item 5 below, bad weather will not postpone disconnection.
 - (3) Following a disconnect because the account does not have a credit balance, the member must pay any unpaid balance from the result of energy consumption from the time the account has reached a zero balance and when the Cooperative issued the disconnection command, plus purchase a minimum of \$20.00 prepaid electric service, before service is reconnected.
 - (4) If an account is disconnected because the account does not have a credit balance and does not become current after 10 days, the account will be considered closed and the Cooperative will mail a final bill to the last known address on file for all unpaid charges.

- (5) Extreme Weather Events: Service will not be disconnected when the local weather forecast as predicted by the National Oceanographic and Administration Service indicates that the temperature will not exceed 32 degrees for the next Day's forecast. The ACC may determine that other weather conditions are especially dangerous to health as the need arises.