

ORIGINAL

OPEN MEETING



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MEMORANDUM

Arizona Corporation Commission

DOCKETED

JAN 07 2013

TO: THE COMMISSION

FROM: Utilities Division

DOCKETED BY [Signature]

DATE: January 7, 2013

RE: MOHAVE ELECTRIC COOPERATIVE, INC. – APPLICATION FOR APPROVAL OF ITS BILL ESTIMATION TARIFF (DOCKET NO. E-01750A-11-0136)

On March 30, 2011, Mohave Electric Cooperative, Inc. (“MEC”) filed an Application for General Rate Increase docketed as Docket No. E-01750A-11-0136. On August 21, 2012, the Commission issued Decision No. 73352 which, in part, ordered MEC to file a separate tariff describing its bill estimation methodologies. Pursuant to Decision No. 73352, on November 19, 2012, MEC filed its bill estimation tariff, Estimation Methodologies (“Schedule E”), for Commission approval.

MEC’s proposed Schedule E describes bill estimation procedures that include, but are not limited to, methodologies for estimating energy usage (kWh), demand usage (kW), and time-of-use billing parameters for both energy and demand usage. Bill estimations are required when actual meter reads are not attainable.

Staff has reviewed MEC’s proposed Schedule E and finds it to be similar to other bill estimation tariffs approved by the Commission. However, Staff believes that MEC should add to the section titled “Special Conditions for Prepaid Residential Service” a description of how bill estimations would be done if there is little to no usage history. MEC has agreed with this and has proposed adding the sentence: “If the customer has no usage history, Estimation Procedures A-3 or A-4, as applicable, will be used to estimate usage.” Staff believes this is sufficient in addressing how bill estimations would be done with little or no usage history.

Staff’s Recommendations

Staff recommends that MEC’s proposed Schedule E be approved as amended herein.

Staff recommends that the sentence “If the customer has no usage history, Estimation Procedures A-3 or A-4, as applicable, will be used to estimate usage.” be added to the section titled “Special Conditions for Prepaid Residential Service.”

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THE COMMISSION

January 7, 2013

Page 2

In addition, Staff recommends that MEC file tariff pages for Schedule E consistent with the terms of this Decision within 15 days from the effective date of the Decision.

A handwritten signature in black ink, appearing to read 'Steven M. Olea', with a long horizontal flourish extending to the right.

Steven M. Olea

Director

Utilities Division

SMO:PML:sms\BH

ORIGINATOR: Patrick M. Lowe

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**BEFORE THE ARIZONA CORPORATION COMMISSION**

BOB STUMP  
Chairman  
GARY PIERCE  
Commissioner  
BRENDA BURNS  
Commissioner  
BOB BURNS  
Commissioner  
SUSAN BITTER SMITH  
Commissioner

IN THE MATTER OF THE APPLICATION  
OF MOHAVE ELECTRIC COOPERATIVE,  
INC FOR APPROVAL OF ITS BILL  
ESTIMATION TARIFF (DOCKET NO. E-  
01750A-11-0136)

DOCKET NO. E-01750A-11-0136  
DECISION NO. \_\_\_\_\_  
ORDER

Open Meeting  
January 30 and 31, 2013  
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. Mohave Electric Cooperative, Inc. ("MEC") is certificated to provide electric service as public service corporations in the state of Arizona.

Background

2. On March 30, 2011, MEC filed an Application for General Rate Increase docketed as Docket No. E-01750A-11-0136. On August 21, 2012, the Commission issued Decision No. 73352 which, in part, ordered MEC to file a separate tariff describing its bill estimation methodologies. Pursuant to Decision No. 73352, on November 19, 2012, MEC filed its bill estimation tariff, Estimation Methodologies ("Schedule E"), for Commission approval.

3. MEC's proposed Schedule E describes bill estimation procedures that include, but are not limited to, methodologies for estimating energy usage (kWh), demand usage (kW), and

...

1 time-of-use billing parameters for both energy and demand usage. Bill estimations are required  
2 when actual meter reads are not attainable.

3 4. Staff has reviewed MEC's proposed Schedule E and finds it to be similar to other  
4 bill estimation tariffs approved by the Commission. However, Staff believes that MEC should add  
5 to the section titled "Special Conditions for Prepaid Residential Service" a description of how bill  
6 estimations would be done if there is little to no usage history. MEC has agreed with this and has  
7 proposed adding the sentence: "If the customer has no usage history, Estimation Procedures A-3 or  
8 A-4, as applicable, will be used to estimate usage." Staff believes this is sufficient in addressing  
9 how bill estimations would be done with little or no usage history.

#### 10 **Staff Recommendations**

11 5. Staff has recommended that MEC's proposed Schedule E be approved as amended  
12 herein.

13 6. Staff has further recommended that the sentence "If the customer has no usage  
14 history, Estimation Procedures A-3 or A-4, as applicable, will be used to estimate usage." be added  
15 to the section titled "Special Conditions for Prepaid Residential Service."

16 7. Staff has further recommended that MEC file tariff pages for Schedule E consistent  
17 with the terms of this Decision within 15 days from the effective date of the Decision.

#### 18 CONCLUSIONS OF LAW

19 1. Mohave Electric Cooperative, Inc. is an Arizona public service corporation within  
20 the meaning of Article XV, Section 2, of the Arizona Constitution.

21 2. The Commission has jurisdiction over Mohave Electric Cooperative, Inc. and over  
22 the subject matter of the application.

23 3. The Commission, having reviewed the application and Staff's memorandum dated  
24 January 7, 2013, concludes that it is in the public interest to approve Schedule E, as revised.

#### 25 ORDER

26 IT IS THEREFORE ORDERED that Mohave Electric Cooperative, Inc.'s proposed  
27 Schedule E be and hereby is approved as amended herein.

28 ...

1 IT IS FURTHER ORDERED that the sentence "If the customer has no usage history,  
 2 Estimation Procedures A-3 or A-4, as applicable, will be used to estimate usage." be added to the  
 3 section titled "Special Conditions for Prepaid Residential Service."

4 IT IS FURTHER ORDERED that Mohave Electric Cooperative, Inc. file tariff pages for  
 5 Schedule E consistent with the terms of this Decision within 15 days from the effective date of the  
 6 Decision.

7 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

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**BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

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CHAIRMAN

COMMISSIONER

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COMMISSIONER

COMMISSIONER

COMMISSIONER

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IN WITNESS WHEREOF, I, JODI JERICH, Executive Director  
 of the Arizona Corporation Commission, have hereunto, set my  
 hand and caused the official seal of this Commission to be  
 affixed at the Capitol, in the City of Phoenix, this  
 \_\_\_\_\_ day of \_\_\_\_\_, 2013.

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JODI JERICH  
 EXECUTIVE DIRECTOR

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DISSENT: \_\_\_\_\_

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DISSENT: \_\_\_\_\_

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SMO:PML:sms\BH

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1 SERVICE LIST FOR: Mohave Electric Cooperative, Inc.  
2 DOCKET NO. E-01750A-11-0136

3 William Sullivan  
4 Attorney for Mohave Electric Cooperative, Inc.  
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10 Arizona Corporation Commission  
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