



ORIGINAL

# Sulphur Springs Valley Electric Cooperative, Inc.

A Touchstone Energy® Cooperative 

311 E. Wilcox, Sierra Vista AZ 85635



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## BEFORE THE ARIZONA CORPORATION COMMISSION

### COMMISSIONERS

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AZ CORP COMMISSION  
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IN THE MATTER OF THE APPLICATION OF  
SULPHUR SPRINGS VALLEY ELECTRIC  
COOPERATIVE, INC. FOR APPROVAL OF  
REVISIONS TO ITS BILL ESTIMATION TARIFF.

DOCKET NO. E-01575A-11-0439

**Compliance Filing**

Sulphur Springs Valley Electric Cooperative, ("SSVEC") hereby submits a revised Bill Estimation tariff and a revised experimental Residential Prepaid Tariff in compliance with Decision No. 73733, dated February 20, 2013.

RESPECTFULLY SUBMITTED this 22<sup>nd</sup> day of February, 2013

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

Original and thirteen (13) copies filed this  
22<sup>nd</sup> day of February 2013 with:

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

Arizona Corporation Commission

**DOCKETED**

FEB 22 2013

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**Application**

The Estimation Methodologies Rate (EM) is applicable for purposes of bill estimation for all tariffs in the event a valid meter reading can not be acquired. The Cooperative will make every reasonable attempt to secure an accurate reading of the meter. The Cooperative will make special efforts to secure an accurate reading of the meters for accounts with demand reading.

This rate is not applicable to resale or standby services.

**Conditions for Estimated Bills**

Estimated bills will be issued only under the following conditions:

- A. Labor shortages or work stoppages beyond the control of the Cooperative.
- B. Severe weather conditions, emergencies or other causes beyond the Cooperative's control which prevent the Cooperative from reading the meter.
- C. Circumstances that make it dangerous or impossible to read the meter, including but not limited to: locked gates, blocked access to meters, threatening or abusive conduct of customers, vicious or dangerous animals or missing meters.
- D. Failure of a customer who reads his own meter to deliver his meter reading to the Cooperative in accordance with the requirements of the Cooperative billing cycle.
- E. To facilitate timely billing for customers using load profiles.
- F. Communications issues with Prepaid Metering (see item H below)

**Notice of Estimation**

Each bill based on estimated usage will indicate that it is an estimated bill and note the reason for estimation.

**Estimation Procedures**

SSVEC currently utilizes a customer information system (CIS) and/or billing personnel for billing, bill calculations and bill estimations.

- A. Detailed descriptions of estimation procedures for each of the conditions are numbered 1-12 below include but are not limited to:

	<b>Conditions for Estimated Bills</b>	<b>Estimation Procedures</b>
1.	A kWh estimate with at least one year of history for the same customer at same premise or new customer with at least one year of premise history	Estimate using the kWh, same month one year prior and/or the amount of usage during the preceding month, from the same premise.
2.	A kWh estimate with less than 12 months' history for the same customer at same premise.	Estimate using the kWh of the preceding month from the same premise.
3.	A kWh estimate with less than 12 months' history for a new customer but with history on the premise.	Estimate using the kWh of the preceding month from the same premise.

**ESTIMATION METHODOLOGIES  
SCHEDULE EM**

	Conditions for Estimated Bills	Estimation Procedures
4.	A kWh estimate with no prior consumption history.	Bill the fixed monthly customer charge plus applicable taxes only. The kWh will be billed with the next valid read in accordance with the Arizona Administrative Code.
5.	A kW estimate with a least one year of history for the same customer at same premise or new customer with one year of premise history.	Calculate the estimate using the kW, same month one year prior and/or the preceding month, from the same premise.
6.	A kW estimate with less than 12 months' history for the same customer at same premise.	Calculate the estimate using the kW of the preceding month from the same premise.
7.	A kW estimate with less than 12 months' history for a new customer but with history on the premise.	Calculate the estimate using the kW of the preceding month from the same premise.
8.	A kW estimate with no prior consumption history.	Do not estimate, a service order is issued for a meter technician to obtain a valid read.
9.	Time-of-Use estimate with at least one year of history for the same customer at same premise or new customer with at least one year of premise history.	Time-of-Use has two readings, "on-peak" and "off-peak". - Calculate the estimate using the "on peak" and "off-peak" kWh reads, same month one year prior and/or the preceding month from the same premise.
10.	Time-of-Use estimate with less than 12 months' history for the same customer at same premise.	Time-of-Use has two readings, "on-peak" and "off-peak". - Calculate the estimate using the "on peak" and "off-peak" kWh of the preceding month from the same premise.
11.	Time-of-Use estimate with less than 12 months' history for a new customer but with history on the premise.	Time-of-Use has two readings, "on-peak" and "off-peak". - Calculate the estimate using the "on peak" and "off-peak" kWh of the preceding month from the same premise.
12.	Time-of-Use estimate with no prior consumption history for a new customer at new premise.	- Bill the fixed monthly customer charge plus applicable taxes only. The kWh will be billed with the next valid read in accordance with the Arizona Administrative Code.

**B. Variance in estimation methods for differing conditions.**

Examples of differing causes for estimation include, but are not limited to: tampering, energy diversion, damaged or destroyed meter, partial meter failure, and meter reading equipment failure.

In the event the meter has been tampered with or destroyed, or energy diversion has occurred, the methods referred to in item A. above still apply, prorating the usage if the estimation period is less than a full billing cycle. Examples;

**Tampering and/or Energy Diversion:**

A valid read was obtained on October 1, Year Two. A tampering or energy diversion is discovered on October 15<sup>th</sup>, the meter has the same reading from October 1, Year Two. An investigation reveals the service is active and electricity is being consumed. The same service history indicated a kWh usage of

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900 kWh for the month of October Year One. A manual estimate will prorate based upon a daily average of the 900 kWh divided by the number of days in the history record the same month (31) for a total of 29 kWh per day times the number of days tampered (15) for a final estimate of 435 kWh.

If the service does not have a 12 month history the same formula is used with the past 3 month average.

In the event the investigation reveals evidence that the tampering or energy diversion occurred for a period exceeding one month, the Cooperative will use the applicable estimation procedure to the point in time that the tampering or energy diversion may be definitely fixed, or 12 months.

**Meter Damaged/Destroyed:**

The same estimation procedure as described in item A. above is used if it is determined that the damage or destruction is caused by the customer to the point in time that the damage or destruction may be definitely fixed or 12 months.

In the event the damage or destruction is otherwise caused, the estimation procedure is the same as described in item A. above, but the customer responsibility is limited to 3 months for residential customers and 6 months for non-residential customers.

**Partial Meter Failure:**

If a meter is found to be deficient in recording any portion of the actual usage, the kW and kWh are estimated based on the percentage of deficiency for a period limited to 3 months for residential customers and 6 months for non-residential customers.

**C. Conditions when estimations are calculated by the CIS system.**

The CIS system calculates the estimate when the meter of a service does not record a valid read for the normal billing cycle for any of the reasons listed under "Conditions for Estimated Bills" above.

**D. Conditions when estimations are made manually**

The manual estimate is made by SSVEC personnel when there is a partial meter failure, weather related differences (previous years usage is reflective of unseasonable or greatly varied temperatures), or there is tampering, or a damaged/destroyed meter for less than the normal billing cycle and the bill must be prorated.

**E. Procedures to minimize the need for using estimated data.**

If feasible, the meter reader is asked to return to the service for a valid read. If the service has access problems an Offsite Meter Reading (OMR) or Automated Meter Reading (AMR) device may be installed. However, the Cooperative shall have the right of safe ingress to and egress from the customers premises at all reasonable hours for any purpose reasonably connected with property used in furnishing service and the exercise to any and all rights secured to it by law or the Arizona Corporation Commission.

**F. Procedures for estimating first and final bills.**

First and final bills are not estimated unless the meter fails. If the reading is not recorded for the first bill, the first bill is issued for the fixed monthly charges plus applicable taxes only. The total kWh will be billed on the first valid read. The final bill is not issued until such time a valid read is secured.

In the event of metering equipment that is damaged, destroyed or absent for the first or final bill, the estimate is the same as B. and D. above.

In the event of metering equipment failure for the first or final bill, the estimate is the same as B. and D. above.

In the event of metering equipment failure, is damaged, destroyed or absent for an account with a demand reading, for the first or final bill, the kWh and/or kW estimate is based on the connected equipment operating characteristics.

**G. Procedure for estimation using customer specific data.**

If there is no service history available on which to base an estimate, the kWh and/or kW estimate is based on the connected equipment operating characteristics.

**H. Prepaid Electric Service Estimation Methodology:**

If there are communication issues that prevent the Cooperative from obtaining a valid daily kWh reading, the kWh consumption will continue to accumulate in the meter. When a valid daily reading results in a negative account balance, the Customer will be notified\* that they have 2 business days to replenish the account to avoid disconnection for a negative balance. The web portal will indicate no usage for the days with missing kWh readings.

If after 7 days of no valid kWh readings, the Cooperative will physically check and/or replace the meter, the Customer will be notified\* and one of the following actions will be applied to determine or estimate the kWh consumption;

1. If a valid reading can be obtained from the meter and the reading results in a negative account balance, the Customer will have a minimum of 5 business days to bring the account into a positive balance to avoid disconnection for a negative account balance.
2. If the Cooperative cannot obtain a valid reading from the meter, SSVEC will use the last valid 5 day average kWh consumption, to determine the amount of kWh to be applied to the account. If this calculated billing results in the account having a negative account balance the Customer will have a minimum of 5 business days to bring the account into a positive balance to avoid disconnection for a negative account balance.
3. If the Customer does not have any prior consumption history, SSVEC will bill the daily fixed charges, plus applicable taxes only. If this billing results in the account having a negative account balance, the Customer shall have a minimum of 5 business days to bring the account into a positive balance to avoid disconnection.

*\*Notice given in this order: 1) by phone. 2) voice mail, 3) written letter. or 4) e-mail (if available)*

**ELECTRIC RATES**

**SULPHUR SPRINGS VALLEY  
ELECTRIC COOPERATIVE, INC.  
P.O. Box 820  
Willcox, Arizona 85644-0820  
Filed by: Creden Huber  
Title: CEO/General Manager**

Effective Date: August 1, 2012

**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. Customers specified under Arizona Administrative Code R14-2-211.A.5 shall not be eligible for Schedule RPS. These Customers include, but are not limited to, those where termination of service would be especially dangerous to the health of the customer, as determined by a licensed medial physician; those customers where life supporting equipment used in the home is dependent on utility service; and those customers where weather would be especially dangerous to health.

**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

**EXPERIMENTAL OFFER TARIFF****RESIDENTIAL PREPAID SERVICE  
SCHEDULE RPS**

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**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
4. REST Surcharge as follows:

The RPS tariff is subject to the REST Surcharge on a per kWh basis as all other SSVEC rates, but with the use of a daily (rather than monthly) REST Surcharge CAP. The methodology for calculating a daily REST surcharge CAP is based on the following formula; the Monthly Residential Rest Surcharge CAP × 12 months ÷ 365 days rounded to nearest mill (1/10 of a penny).

**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;

- 1) Section 2.4.1 Credit Policy Residential Service
- 2) Section 2.4.4 Exceptions Applicable to Sections 2.4.1 and 2.4.3
- 3) Section 2.4.5 Deposit Procedures
- 4) Section 2.4.6 Schedule of Deposits
- 5) Section 2.4.7 Interest on Deposits
- 6) Section 2.8.3 Frequency and Estimated Bills
- 7) Section 2.13 Billing information
- 8) Section 2.15 Terms of Payments
- 9) Section 2.16.1 Budget Billing
- 10) Section 2.16.2 Surepay Automatic Payments
- 11) Section 2.19.1 Notice of Delinquent Status
- 12) Section 2.20.4 Termination Notice Requirements
- 13) Section 2.20.5 Timing of Termination with Notice
- 14) Section 2.21 Service Termination Procedure

**Experimental Service Conditions Applicable to Prepaid Metering Service Only:****2.28 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.

**EXPERIMENTAL OFFER TARIFF**

**RESIDENTIAL PREPAID SERVICE  
SCHEDULE RPS**

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- (2) Customers identified under A.A.C. R14-2-211.A.5 and those customers under appropriate circumstances but beyond the scope of A.A.C. R14-211.A.5 are not eligible for this rate.
  - (3) Invoice groups which include loans or special billings.
  - (4) 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](http://www.ssvec.org) 24 hours a day.

**EXPERIMENTAL OFFER TARIFF****RESIDENTIAL PREPAID SERVICE  
SCHEDULE RPS**

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**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.ssvec.org](http://www.ssvec.org) at any time.
- (2)** SSVEC's web interface can provide an estimate of how long the prepaid credit will last according to current usage.
- (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 usage times 4. The daily average usage 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 usage 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.

**EXPERIMENTAL OFFER TARIFF****RESIDENTIAL PREPAID SERVICE  
SCHEDULE RPS**

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- 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 subject to the following condition.
- (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. Service will not be disconnected when the temperature exceeds 100° Fahrenheit
- (6) The Cooperative shall not disconnect a prepaid customer due to a negative account balance based on an estimated read that has not been trued up with an actual read.