



BEFORE THE ARIZONA CORPORATION COMMISSION

1
2 SUSAN BITTER SMITH
Chairman
3 BOB STUMP
Commissioner
4 BOB BURNS
Commissioner
5 DOUG LITTLE
Commissioner
6 TOM FORESE
Commissioner
7

Arizona Corporation Commission
DOCKETED
MAR 16 2015

DOCKETED BY 

8 IN THE MATTER OF THE APPLICATION)
OF SULPHUR SPRINGS VALLEY)
9 ELECTRIC COOPERATIVE, INC. FOR)
10 APPROVAL OF REVISIONS TO ITS)
SERVICE CONDITIONS)
11)

DOCKET NO. E-01575A-14-0378
DECISION NO. 74992
ORDER

12 Open Meeting
13 March 2 and 3, 2015
14 Phoenix, Arizona

14 BY THE COMMISSION:

15 FINDINGS OF FACT

16 1. Sulphur Springs Valley Electric Cooperative, Inc. ("SSVEC" or the "Cooperative") is
17 certificated to provide electricity as a public service corporation in the state of Arizona.

18 Introduction

19 2. On October 31, 2014, SSVEC filed an application to revise its Service Conditions
20 ("Application"). The current Service Conditions were approved by the Arizona Corporation
21 Commission ("Commission") in Decision No. 71274, dated September 8, 2009. SSVEC indicated in
22 the Application that the proposed revisions to the Service Conditions do not result in any change in
23 the Cooperative's approved rates and charges for service and none of the proposed revisions are
24 contrary to or inconsistent with applicable sections of the Arizona Administrative Code ("A.A.C.").
25 The proposed revisions include: clarifying language which may be ambiguous; adding supplemental
26 language to certain provisions; streamlining existing language; adding a new Section 2.9.4; eliminating
27 any unnecessary references to the A.A.C.; adding language regarding meter error corrections; adding
28 ...

1 sub-paragraph lettering; and updating, clarifying, and supplementing the Service Entrance
2 Requirements contained in Exhibits A, B, C, D and E of the Service Conditions.

3 3. On November 17, 2014, SSVEC filed a notice to waive the 30-day time clock for
4 processing tariff changes allowing for Staff and SSVEC to thoroughly review the proposed changes.

5 4. On November 26, 2014, SSVEC filed an additional revision to service conditions.
6 With that filing, SSVEC provided a revised page 19 to the revised Service Conditions which added a
7 new item #4 to Section 2.8.3(E).

8 Background

9 5. SSVEC is a member-owned Arizona non-profit cooperative with its principal business
10 office in Willcox, Arizona. SSVEC is a public service corporation providing electric distribution
11 service to approximately 51,000 customers in parts of Cochise, Santa Cruz, Pima and Graham
12 counties. SSVEC's Board of Directors oversees all aspects of SSVEC's operations.

13 6. SSVEC's most recent rate case was approved in Decision No. 74381, dated March 19,
14 2014. The rate application was processed under A.A.C. R14-2-107, the "Electric or Natural Gas
15 Cooperative Alternative Rate Application Filing Requirements and Process" ("Rule 107"). Rule 107
16 specifically outlines the level of increase in base revenue that a cooperative can request. Along with
17 outlining the specific guidelines a cooperative has to meet to be eligible for the Rule 107 rate
18 application process, Rule 107 also specifies what cannot be changed in a rate application filed under
19 Rule 107. Specifically, a cooperative is not allowed to make changes to tariff language within its
20 Service Conditions. As a result, the changes that SSVEC has requested to its Service Conditions were
21 filed in this new docket and processed by Commission Utilities Division Staff ("Staff") separate from
22 the most recent rate case.

23 7. On December 16, 2014, SSVEC docketed a notice of filing affidavits of publication.
24 The filing indicated that the Staff-approved customer notice ("Notice") regarding the potential
25 changes to the Service Conditions was published on November 26, 2014, in the San Pedro Valley
26 News-Sun, the Arizona Range News, the Sierra Vista Herald and the Bisbee Daily News. In addition,
27 SSVEC placed a copy of the Notice on its website shortly after the Application to revise its Service
28 Conditions was filed.

1 8. Since some of the changes to the Service Conditions were items discussed and
2 modified during the last A.A.C. R14-2-103 rate case for SSVEC (Docket No. E-01575A-08-0328,
3 Decision No. 71274, dated September 8, 2009), SSVEC also mailed a copy of the Application to all of
4 the parties on the service list for Docket No. E-01575A-08-0328.

5 9. Prior to the filing of the Application, SSVEC met with Staff to discuss the proposed
6 revisions and provide a copy of what the Cooperative anticipated filing. At that meeting, SSVEC
7 explained the need for each change to the sections and that each change did not have a revenue
8 impact, thereby allowing for the processing of the tariff changes outside of a rate case proceeding.

9 Explanation of the Proposed Changes

10 10. SSVEC indicated in the Application that the proposed revisions to the Service
11 Conditions are meant to clarify language which may be ambiguous; add supplemental language to
12 certain provisions; streamline existing language in some sections; add a new Section 2.9.4 (Record of
13 Consumption); eliminate an unnecessary reference to the A.A.C.; add language regarding meter error
14 corrections; add sub-paragraph lettering; and update, clarify and supplement the Service Entrance
15 Requirements contained in Exhibits A, B, C, D and E of the Service Conditions.

16 11. The changes filed in the Application begin with adjustments to the Table of Contents
17 to adjust page numbers and insert new sections. No changes were made to the Definitions Section,
18 while many changes were being requested to add sub-paragraph lettering.

19 12. Several modifications throughout the Application involved word changes, additions,
20 and deletions meant to clarify the Service Conditions.

21 13. A new section, 2.9.4 Record of Consumption, was added. Clarification to Section 2.23
22 Unlawful Use of Electric Service was made. Language was added to Section 3.6.3 Meter Testing –
23 Requested by the Customer (also a section name change to Error Corrections). The language added is
24 taken directly from the A.A.C.

25 14. Street light extension applicability was clarified in Section 4.5.1 along with primary
26 metering in recreational vehicle park developments in Section 4.12.

27 15. Exhibit A to the Service Conditions, General Specification (0-3000 amperes/0-600
28 volts), requested changes to remove all of the specific clearance requirements that were previously

1 specified and replace those with the requirement that "All electrical facilities shall be installed and
2 maintained in the applicable clearances as defined by the National Electrical Safety Code (NECS)
3 and/or the National Electrical Code (NFPA 70) as appropriate."

4 16. Also within Exhibit A, a section was added on Signal Distortion which requires
5 compliance with the Institute of Electrical and Electronics Engineers ("IEEE") 519 guidelines
6 (harmonic control). The changes provide that even if customer equipment is in compliance with these
7 guidelines, and it is shown the customer's equipment is still creating problems, SSVEC can require the
8 customer to correct the problem at the customer's expense.

9 17. Exhibit E, which concerns motor loads, has been revised to remove the references to
10 specific mitigation measures the customer could take and the requirement that SSVEC approve the
11 design of the customer's equipment.

12 18. Also within Exhibit E, SSVEC has incorporated that it has the right to 1) request an
13 engineered design and 2) test and monitor the customer's equipment to ensure compliance to IEEE
14 519, and to require the customer to correct the problem at the customer's expense.

15 Staff Analysis of the Proposed Changes

16 19. Staff has reviewed SSVEC's Application. Staff's analysis included an examination of
17 what was changing in the Service Conditions and whether or not those changes conform with the
18 A.A.C. governing the operation of a regulated utility.

19 20. With the exception of those items noted below, Staff agrees the suggested
20 modifications to the Service Conditions are acceptable, are revenue neutral, and are in the public
21 interest.

22 Section 2.4.8

23 21. In regard to changes to Section 2.4.8-Grounds for Refusal of Service, SSVEC has
24 requested to add subset lettering A-G. Staff agrees with the addition of the subset lettering. With
25 regard to the changes to the proposed 2.4.8 (A), SSVEC has requested the changes below:

26 A. The Applicant has an outstanding ~~amount due~~ balance for the
27 ~~same class of Electric Service~~ with SSVEC, and the Applicant is
28 unwilling to make arrangements with SSVEC for payment.

1 22. Staff has reviewed whether these modifications are in accordance with the A.A.C..
2 Staff agrees with deleting “amount due” and inserting “balance”. However, Staff does not agree with
3 the deletion of “for the same class of Electric Service”. When reviewing the A.A.C. R14-2-203 (C)(1),
4 Staff does not agree that it is appropriate to refuse service in one class of service for applicants with an
5 outstanding balance in a different class of service. The A.A.C. clearly indicates that refusal of service
6 is acceptable for the same class of utility service with that utility if the applicant has an outstanding
7 balance. In addition, the deletion of the words in 2.4.8 (A) referencing “for the same class of Electric
8 Service” directly conflicts with Section 2.20.1 (C) of SSVEC’s approved Service Conditions which
9 outlines that a non-permissible reason to disconnect electric service is nonpayment of a bill related to
10 another class of Electric Service.

11 23. Staff proposes the following for 2.4.8 (A):

12 A. The Applicant has an outstanding ~~amount due~~balance for the
13 same class of Electric Service with SSVEC, and the Applicant is
14 unwilling to make arrangements with SSVEC for payment.

15 Section 2.5.6

16 24. In regard to changes to Section 2.5.6-Service Calls During Regular Business Hours,
17 SSVEC has requested to add subset lettering A-C and incorporate additional language for field trip
18 charges. SSVEC’s Application has requested the changes below:

19 **2.5.6 SERVICE CALLS DURING REGULAR BUSINESS**
20 **HOURS**

21 Service charges as provided in SSVEC’s approved Tariffs shall be
22 imposed for service calls performed during regular business hours for
23 one of the following reasons:

24 A. Interruptions caused by the Customer’s negligence or failure of
25 Customer-owned equipment. Reasonable efforts will be made to
26 advise the Customer about the responsibility of such charges before
27 the service call starts.
28

1 B. Reconnection of Electric Service to any Customer previously
2 disconnected for nonpayment, field trip due to tampering, theft or
3 unlawful use of service, misrepresentation to SSVEC, unsafe
4 conditions, threats to SSVEC personnel or property, failure to permit
5 safe access, detrimental effects of Customer loads on SSVEC's system,
6 or failure to establish credit and/or follow procedures to establish
7 Electric Service.

8 C. Meter testing performed at the written request of the
9 Customer. However, if SSVEC's test shows that the Meter is
10 inaccurate by more than three (3) percent, the service charge will be
11 waived or refunded to the Customer.

12 25. After discussing in more detail when a reconnection fee is applicable versus when a
13 charge for a field trip is applicable, Staff and SSVEC agree and propose the following for Section
14 2.5.6:

15 **2.5.6 SERVICE CALLS DURING REGULAR BUSINESS**
16 **HOURS**

17 Service charges as provided in SSVEC's approved Tariffs shall be
18 imposed for service calls performed during regular business hours for
19 one of the following reasons:

20 A. Interruptions caused by the Customer's negligence or failure of
21 Customer-owned equipment. Reasonable efforts will be made to
22 advise the Customer about the responsibility ~~for~~ of such charges before
23 the service call starts.

24 B. Reconnection of Electric Service to any Customer previously
25 disconnected for nonpayment, ~~field trip due to tampering, theft or~~
26 unlawful use of service (including tampering or theft),
27 misrepresentation to SSVEC, unsafe conditions, threats to SSVEC
28 personnel or property, failure to permit safe access, detrimental effects

1 of Customer loads on SSVEC's system, or failure to establish credit
2 and/or follow procedures to establish Electric Service.

3 B.C. Premises visits regarding action associated with disconnection
4 of Electric Service for non-payment of a delinquent bill (whether or
5 not service is actually disconnected as a result of such visit) or for
6 reconnection of Electric Service that has previously been disconnected
7 for non-payment. The service charge may be applied in the case of
8 reconnections effectuated through remote metering when the
9 Customer has been disconnected for non-payment of a delinquent bill.

10 C.D. Meter testing performed at the written request of the
11 Customer. However, if SSVEC's test shows that the Meter is
12 inaccurate by more than three (3) percent, the service charge will be
13 waived or refunded to the Customer.

14 26. In addition, Staff suggests that SSVEC make the corresponding changes to page 41 of
15 the SSVEC tariff that references the service calls during regular business hours to reflect the proposed
16 changes to 2.5.6.

17 Section 2.5.7

18 27. In regard to changes to Section 2.5.7-Service Calls After Regular Business Hours,
19 SSVEC has requested to add subset lettering A-E and incorporate additional language for field trip
20 charges. SSVEC's Application has requested the changes below:

21 **2.5.7 SERVICE CALLS AFTER REGULAR BUSINESS HOURS**

22 Service charges as provided in SSVEC's approved Tariffs shall be
23 imposed for a service call after regular business hours for one of the
24 following reasons:

25 A. Interruptions caused by the Customer's negligence or failure of
26 Customer-owned equipment, even though SSVEC is unable to
27 perform any work beyond the Point of Delivery. The Customer shall
28

1 be advised about the possibility of such charges before the service call
2 starts.

3 B. Reconnection of Electric Service to any Customer previously
4 disconnected for nonpayment, field trip due to tampering, theft or
5 unlawful use of service, misrepresentation to SSVEC, unsafe
6 conditions, threats to SSVEC personnel or property, failure to permit
7 safe access, detrimental effects of Customer loads on SSVEC's system,
8 or failure to establish credit and/or sign an agreement for service.
9 Such work will be performed only when requested and agreed to by the
10 Customer.

11 C. Should Electric Service be established during a period other
12 than regular working hours at the Customer's request, the Customer
13 may be required to pay an after-hour charge for the Service
14 Connection. Where SSVEC scheduling will not permit Service
15 Establishment on the same day requested, the Customer can elect to
16 pay the after-hour charge for establishment that day or his service will
17 be established on the next available normal business day.

18 D. For the purpose of this Section, the definition of Service
19 Establishments are where the Customer's facilities are ready and
20 acceptable to SSVEC and SSVEC needs only to install a Meter, read a
21 Meter, or turn on Electric Service.

22 E. Except in emergency situations, as determined by SSVEC in its
23 sole discretion, SSVEC will not make a service call after 9:00 p.m.

24 28. After discussing in more detail when a reconnection fee is applicable versus when a
25 charge for a field trip is applicable, Staff and SSVEC agree and propose the following for Section
26 2.5.7:

27 ...

28 ...

2.5.7 SERVICE CALLS AFTER REGULAR BUSINESS HOURS

Service charges as provided in SSVEC's approved Tariffs shall be imposed for a service call after regular business hours for one of the following reasons:

A. Interruptions caused by the Customer's negligence or failure of Customer-owned equipment, even though SSVEC is unable to perform any work beyond the Point of Delivery. The Customer shall be advised about the ~~responsibility~~ ~~possibility~~ of such charges before the service call starts.

B. Reconnection of Electric Service to any Customer previously disconnected for ~~nonpayment, field trip due to tampering, theft or~~ unlawful use of service (including tampering or theft), misrepresentation to SSVEC, unsafe conditions, threats to SSVEC personnel or property, failure to permit safe access, detrimental effects of Customer loads on SSVEC's system, or failure to establish credit and/or sign an agreement for service. Such work will be performed only when requested and agreed to by the Customer.

C. Premises visits regarding action associated with disconnection of Electric Service for non-payment of a delinquent bill (whether or not service is actually disconnected as a result of such visit) or for reconnection of Electric Service that has previously been disconnected for non-payment. The service charge may be applied in the case of reconnections effectuated through remote metering when the Customer has been disconnected for non-payment of a delinquent bill.

C.D. Should Electric Service be established during a period other than regular working hours at the Customer's request, the Customer may be required to pay an after-hour charge for the Service Connection. Where SSVEC scheduling will not permit Service

1 Establishment on the same day requested, the Customer can elect to
2 pay the after-hour charge for establishment that day or his service will
3 be established on the next available normal business day.

4 ~~D.E.~~ For the purpose of this Section, the definition of Service
5 Establishments is where the Customer's facilities are ready and
6 acceptable to SSVEC and SSVEC needs only to install a Meter, read a
7 Meter, or turn on Electric Service.

8 ~~E.F.~~ Except in emergency situations, as determined by SSVEC in its
9 sole discretion, SSVEC will not make a service call after 9:00 p.m.

10 29. In addition, Staff suggests that SSVEC make the corresponding changes to page 42 of
11 the SSVEC tariff that references the service calls after regular business hours to reflect the proposed
12 changes to 2.5.7.

13 Section 2.5.8

14 30. In regard to changes to Section 2.5.8-Charges for Electric Service Connections, the
15 Application requested to add subset lettering A-C and replace "connections" with "requests".
16 SSVEC's Application has requested the changes below:

17 **2.5.8 CHARGES FOR ELECTRIC SERVICE CONNECTIONS**

18 A. New and Additional Electric Service Connections. Service
19 charges as provided in SSVEC approved Tariffs shall be imposed for
20 new and additional Electric Service ~~connections~~ requests or for a
21 change in Electric Service location to a new address.

22 B. Service Connection Callbacks. Service charges as provided in
23 SSVEC approved Tariffs shall be imposed for a return trip to connect
24 Electric Service if, at the Customer's request, it was previously made
25 available at the Point of Delivery, if an inaccurate service address
26 provided by the Customer results in a Service Connection callback or if
27 the Customer postpones or cancels any service order already completed
28

1 by SSVEC. Except in emergency situations as determined by SSVEC,
2 SSVEC will not connect Electric Service after 9:00 p.m.

3 C. Property Damage. The Customer shall be billed for damages
4 to SSVEC equipment or property caused by the Customer or the
5 Customer's employee(s) or agent(s). Such damages and the cost of
6 repair shall be billed at SSVEC's current rates for labor, transportation,
7 equipment, and materials, less appropriate credit for salvage, if any.

8 31. After discussing in more detail the requested modifications to 2.5.8, Staff and SSVEC
9 agree and propose the following for Section 2.5.8:

10 **2.5.8 CHARGES FOR ELECTRIC SERVICE CONNECTIONS**

11 A. New and Additional Electric Service Connections. Service
12 charges as provided in SSVEC approved Tariffs shall be imposed for
13 new and additional Electric Service ~~connections~~ requests or for a
14 change in Electric Service location to a new address.

15 B. Service Connection Callbacks. Service charges as provided in
16 SSVEC approved Tariffs shall be imposed for a return trip to connect
17 Electric Service if, at the Customer's request, it was previously made
18 available at the Point of Delivery, if an inaccurate service address
19 provided by the Customer results in a Service Connection callback or if
20 the Customer postpones or cancels any service order already completed
21 by SSVEC. Except in emergency situations as determined by SSVEC,
22 SSVEC will not connect Electric Service after 9:00 p.m.

23 C. Property Damage. The Customer shall be billed for damages
24 to SSVEC equipment or property caused by the Customer or the
25 Customer's employee(s) or agent(s). Such damages and the cost of
26 repair shall be billed at SSVEC's current rates for labor, transportation,
27 equipment, and materials, less appropriate credit for salvage, if any.

28

1 32. In addition, Staff suggests that SSVEC make the corresponding changes to page 41 of
2 the SSVEC tariff that references the service connections to reflect the proposed changes to 2.5.8.

3 Section 2.9.4

4 33. SSVEC’s Application has requested the new section below:

5 **2.9.4 RECORD OF CONSUMPTION**

6 The installation and/or registration of SSVEC’s meter at the
7 customer’s point of delivery shall serve as initiation of service and
8 evidence of the amount of energy and/or billing demand used by the
9 customer, except where non-metered service is supplied. However, in
10 the event of failure of SSVEC’s meter or of SSVEC personnel to
11 obtain an actual reading, SSVEC will estimate the usage in accordance
12 with Scheduled EM –Estimation Methodologies.

13 34. After discussing in more detail the requested insertion of 2.9.4, Staff and SSVEC agree
14 and propose the following for the new Section 2.9.4 (changes from what was in the Application are in
15 italics):

16 **2.9.4 RECORD OF CONSUMPTION**

17 The installation and/or registration of SSVEC’s meter at the
18 customer’s point of delivery shall serve as initiation of service and *the*
19 *meter reading shall serve as* evidence of the amount of energy and/or
20 billing demand used by the customer, except where non-metered
21 service is supplied. However, in the event of failure of SSVEC’s meter
22 or of SSVEC personnel to obtain an actual reading, SSVEC will
23 estimate the usage in accordance with Scheduled EM –Estimation
24 Methodologies.

25 ...
26 ...
27 ...
28 ...

1 Section 2.20.3

2 35. In regard to changes to Section 2.20.3-Termination of Electric Service with Notice, the
3 Application requested to add subset lettering A-B and delete a portion of the new subset A. SSVEC's
4 Application has requested the changes below:

5 **2.20.3 TERMINATION OF ELECTRIC SERVICE WITH**
6 **NOTICE**

7 A. ~~With the exception of Customers falling under A.A.C. R14-2-~~
8 ~~211.5,~~ SSVEC may disconnect Electric Service to any Customer for any
9 reason stated below provided SSVEC has met the Notice requirements
10 established by the ACC:

- 11 (i) Customer violation of any of SSVEC's Tariffs.
12 (ii) Failure of the Customer to pay a delinquent bill for SSVEC
13 Service.
14 (iii) Failure to meet or maintain SSVEC's deposit requirements.
15 (iv) Failure of the Customer to provide SSVEC reasonable access
16 to its equipment and property.
17 (v) Customer breach of contract for Electric Service between
18 SSVEC and Customer.
19 (vi) When necessary for SSVEC to comply with an order of any
20 governmental agency having such jurisdiction.

21 B. SSVEC shall maintain a record of all terminations of Electric
22 Service with Notice. This record shall be maintained for one (1) year
23 and available for ACC inspection.

24 36. Section R14-2-211.5 of the A.A.C. details those situations in which a regulated utility in
25 the State of Arizona is not allowed to terminate service for a customer who has an inability to pay.
26 Those situations include: (a) where a customer can establish through medical documentation, in the
27 opinion of a licensed medical physician, that terminating service would be dangerous to the health of a
28 customer on the premises, (b) where life support equipment is used in the home that is dependent

1 upon utility service for operation, or (c) where weather will be dangerous to the health of someone in
2 the home. All utilities regulated by the Commission are subject to these rules regarding when
3 terminating service is not allowed.

4 37. During the most recent A.A.C. R14-2-103 rate case for SSVEC (Docket No. E-
5 01575A-08-0328, Decision No. 71274, dated September 8, 2009), Staff expressed concern that SSVEC
6 and its customers may not be fully grasping the intent behind A.A.C. R14-2-211.5. Rather than
7 leaving room for misinterpretation of the rules outlining when a utility is not allowed to terminate
8 service for a customer with an inability to pay, Staff recommended SSVEC incorporate in Section
9 2.20.3 of its Service Conditions a reference to the A.A.C. R14-2-211.5. Staff believed adding this
10 reference would clarify for both SSVEC and its customers exactly the rules dictating such termination.

11 38. According to SSVEC's data response to Staff, it has requested to delete this reference
12 to the A.A.C. as it was not in previous Service Conditions (prior to Decision No. 71274) and other
13 utilities have not been required to incorporate this same reference. While Staff understands that other
14 utilities have not been asked to incorporate the same language at this point, this does not preclude the
15 Commission from requiring other utilities to incorporate the same language in the future if there is a
16 need for it. Staff believes the intent of the phrase SSVEC is requesting to delete is meant to clarify for
17 both the utility and its customers exactly the terms in which utilities operate in the State of Arizona.
18 Staff views the phrase as a valuable reference for customers if they are questioning service.

19 39. After discussing in more detail the requested modifications of Section 2.20.3, Staff
20 agrees with the changes SSVEC has proposed in the Application incorporating the subset lettering A-
21 B; however, Staff, as noted above, views the clarification of when the termination of service is not
22 allowed as valuable. However, as an alternative, Staff proposes modifying Section 2.20.3 as indicated
23 below deleting the reference to the A.A.C. but inserting a reference to earlier pages in the SSVEC
24 Service Conditions (noted in italics).

25 **2.20.3 TERMINATION OF ELECTRIC SERVICE WITH**
26 **NOTICE**

27 A. ~~With the exception of Customers falling under A.A.C. R14-2-~~
28 ~~211.5,~~ SSVEC may disconnect Electric Service to any Customer for any

1 reason stated below provided SSVEC has met the Notice requirements
 2 established by the ACC *with the exception of those items referenced in Section*
 3 *2.20.1 of the SSVEC Service Conditions.*

- 4 (i) Customer violation of any of SSVEC's Tariffs.
 5 (ii) Failure of the Customer to pay a delinquent bill for SSVEC
 6 Service.
 7 (iii) Failure to meet or maintain SSVEC's deposit requirements.
 8 (iv) Failure of the Customer to provide SSVEC reasonable access
 9 to its equipment and property.
 10 (v) Customer breach of contract for Electric Service between
 11 SSVEC and Customer.
 12 (vi) When necessary for SSVEC to comply with an order of any
 13 governmental agency having such jurisdiction.

14 B. SSVEC shall maintain a record of all terminations of Electric
 15 Service with Notice. This record shall be maintained for one (1) year
 16 and available for ACC inspection.

17 Section 3.6.3

18 40. In regard to changes to proposed Section 3.6.3-Meter Error Corrections (existing
 19 Section is labeled Meter Testing – Requested by the Customer), the Application requested to add new
 20 paragraphs and clarify the existing language so it closer mirrors the language of A.A.C. R14-2-210 (E).
 21 SSVEC's Application has requested the changes below along with an additional sentence added to
 22 subset A (in italics):

23 **3.6.3 METER TESTING — REQUESTED BY THE**
 24 **CUSTOMER ERROR CORRECTIONS**

25 Any Customer may request a test on a Meter that is in the
 26 Customer's name and billed to the Customer. Test request forms are
 27 available at each SSVEC office which the Customer shall sign. The
 28 applicable service charge and Meter test charge for Service calls during

1 regular business hours shall also be made in accordance with SSVEC's
2 Tariffs.

3 If the meter is more ~~that~~ than 3% inaccurate, averaged between
4 light and heavy load tests, tests slow or has stopped, all applicable
5 Meter test and service charges shall be waived and the Customer's bill
6 ~~for that meter shall be adjusted accordingly for the three (3)~~
7 ~~immediately previous billing periods before Meter removal.~~ correction
8 of previous bills will be made under the following terms:

9 A. If the date of the meter error can be definitely fixed, SSVEC
10 shall adjust the customer's billings back to that date. *If the date of the*
11 *meter error can't be determined, adjustments to the customer's bills will be limited to*
12 *three months for residential customers and six months for non-residential customers.*
13 If the customer has been under-billed, the Co-op will allow the
14 customer to repay the difference over an equal length of time that the
15 under-billings occurred. The customer may be allowed to pay the back
16 bill without late payment penalties, unless there is evidence of meter
17 tampering or energy diversion.

18 B. If it is determined that the customer has been over-billed and
19 there is no evidence of meter tampering or energy diversion, SSVEC
20 will make prompt refunds in the difference between the original billings
21 and the corrected billings.

22 C. No adjustment shall be made by the Co-op except to the
23 customer last served by the meter tested.

24 The Meter shall be tested in the Meter shop before any
25 adjustments are made, and if practical, before the Meter cover is
26 removed. The Customer or a Customer representative may be present
27 when the Meter is tested, but this must be stated in writing at the time
28 the test request is made. If requested to do so, SSVEC personnel shall

1 attempt to arrange a test during regular business hours with the
2 Customer present. If, 30 Days after meter removal, SSVEC has been
3 unable to arrange such a test because of failure on the Customer's part
4 to attend the test, SSVEC shall test the Meter without the Customer
5 being present. The Customer shall be notified of the results of the test
6 by mail within a reasonable time after the test has been completed.

7 41. After discussing in more detail the requested modifications of Section 3.6.3, Staff
8 agrees with the changes SSVEC has proposed in the Application without the additional sentence
9 added to subsection A but requests the insertion of one additional paragraph (in italics) contained in
10 A.A.C. R14-2-210 (E) which further clarifies how far back a utility can bill a customer for an under-
11 billing when it is not possible to determine when exactly the meter error began and rephrase a
12 sentence in the last paragraph (in italics):

13 **3.6.3 METER TESTING ~~REQUESTED BY THE~~**
14 **~~CUSTOMER ERROR CORRECTIONS~~**

15 Any Customer may request a test on a Meter that is in the
16 Customer's name and billed to the Customer. Test request forms are
17 available at each SSVEC office which the Customer shall sign. The
18 applicable service charge and Meter test charge for Service calls during
19 regular business hours shall also be made in accordance with SSVEC's
20 Tariffs.

21 If the meter is more ~~that~~ than 3% inaccurate, averaged between
22 light and heavy load tests, tests slow or has stopped, all applicable
23 Meter test and service charges shall be waived and the ~~Customer's bill~~
24 ~~for that meter shall be adjusted accordingly for the three (3)~~
25 ~~immediately previous billing periods before Meter removal.~~ correction
26 of previous bills will be made under the following terms:

27 A. If the date of the meter error can be definitely fixed, SSVEC
28 shall adjust the customer's billings back to that date. If the customer

1 has been under-billed, the Co-op will allow the customer to repay the
2 difference over an equal length of time that the under-billings occurred.
3 The customer may be allowed to pay the back bill without late payment
4 penalties, unless there is evidence of meter tampering or energy
5 diversion.

6 B. If it is determined that the customer has been over-billed and
7 there is no evidence of meter tampering or energy diversion, SSVEC
8 will make prompt refunds in the difference between the original billings
9 and the corrected billings.

10 C. No adjustment shall be made by the Co-op except to the
11 customer last served by the meter tested.

12 D. Any under-billing resulting from a stopped or slow meter, utility or Meter
13 Reading Service Provider meter reading error, or a billing calculation shall be limited
14 to three months for residential customers and six months for non-residential
15 customers. However, if an under-billing by the utility occurs due to inaccurate, false,
16 or estimated information from a third party, then that utility will have a right to
17 backbill that third party to the point in time that may be definitely fixed, or 12
18 months. No such limitation will apply to over-billings.

19 The Meter shall be tested in the Meter shop before any
20 adjustments are made, and if practical, before the Meter cover is
21 removed. The Customer or a Customer representative may be present
22 when the Meter is tested, but this must be stated in writing at the time
23 the test request is made. If requested to do so, SSVEC personnel shall
24 attempt to arrange a test during regular business hours with the
25 Customer present. If, after 30 days from when the meter was removed
26 meter removal, SSVEC has been unable to arrange such a test because of
27 failure on the Customer's part to attend the test, SSVEC shall test the
28 Meter without the Customer being present. The Customer shall be

1 notified of the results of the test by mail within a reasonable time after
2 the test has been completed.

3 **Staff Recommendations**

4 42. On February 24, 2015, SSVEC filed exceptions addressing Staff's analysis of its
5 requested revision to Section 3.6.3 of the Service Conditions. The revision addresses what SSVEC
6 sees as an ambiguity in A.A.C. R14-2-210(E) dealing with meter error corrections. SSVEC requests
7 that the Commission approve its proposed revision instead of that proposed by Staff. We will adopt
8 SSVEC's proposed revisions to Section 3.6.3, with the exception of 3.6.3(A), which shall read as
9 follows:

10 "If the date of the meter error can be definitely fixed, SSVEC shall adjust the
11 customer's billings back to that date. If the date of the meter error cannot be
12 determined, adjustments to that customer's bills will be limited to three months
13 for residential customers and six months for non-residential customers. No
14 such limitations shall apply to overbilling. If the customer has been under-
15 billed, SSVEC will allow the customer to repay the difference over an equal
16 length of time that the under-billings occurred. The customer shall be allowed
17 to pay the back bill without late payment penalties, unless there is evidence of
18 meter tampering or energy diversion."

19 43. With the exception of those items noted above, Staff has recommended the adoption
20 of the suggested modifications to the Service Conditions, including the additional revision filed on
21 November 26, 2014. Staff agrees these modifications are meant to be revenue neutral and are in the
22 public interest .

23 44. Staff has recommended adoption of the Staff-suggested revisions as explained above
24 in the Staff Analysis of the Proposed Changes to Sections 2.4.8, 2.20.3, and 3.6.3 of the SSVEC
25 Service Conditions.

26 45. Staff has further recommended the adoption of the suggested revisions agreed to by
27 SSVEC and Staff as explained above in the Staff Analysis of the Proposed Changes for Sections 2.5.6,
28 2.5.7, 2.5.8, and 2.9.4 of the SSVEC Service Conditions.

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ORDER

IT IS THEREFORE ORDERED that Sulphur Springs Valley Electric Cooperative, Inc.'s proposed revisions to its Service Conditions with the exception of Sections 2.4.8, 2.5.6, 2.5.7, 2.5.8, 2.9.4, 2.20.3, and 3.6.3 are hereby approved as discussed herein.

IT IS FURTHER ORDERED that Section 2.4.8 of the Sulphur Springs Valley Electric Cooperative, Inc.'s Service Conditions, as revised in Finding of Fact No. 23, is hereby approved.

IT IS FURTHER ORDERED that Section 2.5.6 of the Sulphur Springs Valley Electric Cooperative, Inc.'s Service Conditions, as revised in Finding of Fact No. 25, is hereby approved.

IT IS FURTHER ORDERED that Section 2.5.7 of the Sulphur Springs Valley Electric Cooperative, Inc.'s Service Conditions, as revised in Finding of Fact No. 28, is hereby approved.

IT IS FURTHER ORDERED that Section 2.5.8 of the Sulphur Springs Valley Electric Cooperative, Inc.'s Service Conditions, as revised in Finding of Fact No. 31, is hereby approved.

IT IS FURTHER ORDERED that Section 2.9.4 of the Sulphur Springs Valley Electric Cooperative, Inc.'s Service Conditions, as revised in Finding of Fact No. 34, is hereby approved.

IT IS FURTHER ORDERED that Section 2.20.3 of the Sulphur Springs Valley Electric Cooperative, Inc.'s Service Conditions, as revised in Finding of Fact No. 39, is hereby approved.

IT IS FURTHER ORDERED that Section 3.6.3 of the Sulphur Springs Valley Electric Cooperative, Inc.'s Service Conditions, as revised in Finding of Fact No. 42, is hereby approved.

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1 IT IS FURTHER ORDERED that Sulphur Springs Valley Electric Cooperative, Inc. file with
2 Docket Control, as a compliance item, a revised Schedule of Service Charges – Schedule SC from its
3 Tariff, incorporating those modifications specified in this Decision, within 15 days of the effective
4 date of this Decision.

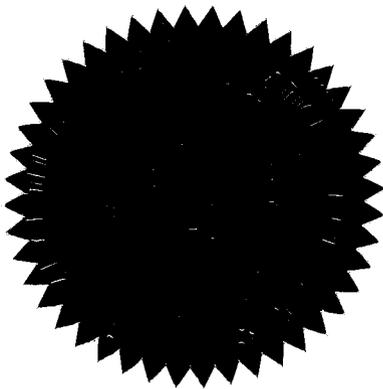
5 IT IS FURTHER ORDERED that Sulphur Springs Valley Electric Cooperative, Inc. file, with
6 Docket Control, revised Service Conditions in compliance with this Decision within 15 days of the
7 effective date of the Decision.

8 IT IS FURTHER ORDERED that this Order shall become effective immediately.

9
10 **BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION**

11 
12 CHAIRMAN 
13 COMMISSIONER
14   
15 COMMISSIONER COMMISSIONER COMMISSIONER

16 IN WITNESS WHEREOF, I, JODI JERICH, Executive
17 Director of the Arizona Corporation Commission, have
18 hereunto, set my hand and caused the official seal of this
19 Commission to be affixed at the Capitol, in the City of
20 Phoenix, this 14th day of March, 2015.



21 
22 JODI JERICH
23 Executive Director

24 DISSENT: _____

25 DISSENT: _____

26 SMO:RSP:sms\WVC

27
28

- 1 SERVICE LIST FOR: Sulphur Springs Valley Electric Cooperative, Inc.
- 2 DOCKET NO. E-01575A-14-0378

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- 15 Ms. Lyn A. Farmer, Esq.
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