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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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AZ CORP COMMISSION  
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DAB

IN THE MATTER OF THE APPLICATION OF ) DOCKET NO. E-01461A-14-0260  
TRICO ELECTRIC COOPERATIVE, INC., AN )  
ARIZONA CORPORATION, FOR APPROVAL )  
OF ITS PREPAID PILOT PROGRAM. )  
)  
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)  
)

NOTICE OF FILING  
COMPLIANCE

Trico Electric Cooperative, Inc., an Arizona not-for-profit corporation, ("Trico" or "Company"), through undersigned counsel, hereby files: (i) its revised Experimental Residential Prepaid Service Tariff and (ii) its revised Prepaid Service Application/Agreement.

RESPECTFULLY SUBMITTED this 2<sup>d</sup> day of June, 2015.

Trico Electric Cooperative, Inc.

By

Michael W. Patten  
SNELL & WILMER  
One Arizona Center  
400 East Van Buren Street, Suite 1900  
Phoenix, Arizona 85004

Attorneys for Trico Electric Cooperative, Inc.

Original and thirteen copies of the foregoing filed this 2<sup>nd</sup> day of June, 2015, with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

1 Copy of the foregoing hand-delivered  
this 2nd day of June, 2015, to:

2  
3 Candrea Allen  
4 Utilities Division  
5 Arizona Corporation Commission  
6 1200 West Washington Street  
7 Phoenix, Arizona 85007

8 Brian Bozzo  
9 Compliance Section  
10 Utilities Division  
11 Arizona Corporation Commission  
12 1200 West Washington Street  
13 Phoenix, Arizona 85007

14 By Jaclyn Howard  
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## ELECTRIC RATES

**TRICO ELECTRIC COOPERATIVE, INC.**

**8600 W. Tangerine Road**

**Marana, Arizona 85658**

**Filed By: Vincent Nitido**

**Title: CEO/General Manager**

Effective Date: **May 19, 2015**

### EXPERIMENTAL TARIFF

### RESIDENTIAL PREPAID SERVICE SCHEDULE RPS

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#### 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 and the required phase and suitable voltage are in existence and are adjacent to the premises served, subject to the Cooperative's Service Conditions.

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 ineligible 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 medical 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.

#### Application

Applicable, by request of the customer only, to a customer otherwise served under the Cooperative's Residential Service, Rate Schedule RS1 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 resale or standby or customers that are served on any other rate schedule or Customers on the Cooperative's Levelized Billing Plan, deferred payment plan or installment plan.

#### Type of Service

The Type of service available under this schedule will be determined by the Cooperative and will only include 120/240 volt single phase residential accounts.

#### Monthly Rate

STANDARD RATE RESIDENTIAL PREPAID SERVICE	Power Supply						Total Rate
		Metering	Meter Reading	Billing	Access	Total	
Customer Charge (\$/Customer/Day)		\$0.1716	\$0.0533	\$0.2042	\$0.0641	\$0.4932	\$0.4932
Energy Charge (\$/kWh)	\$0.0830				\$0.0386	\$0.0386	\$0.1216

### **Tax Adjustment**

To the charge computed in this rate schedule, including all adjustments, shall be added the applicable proportionate part of any taxes or governmental impositions which are or may in the future be assessed on the basis of gross revenues of the Cooperative and/or the price or revenue from the electric energy or service sold and/or the volume of energy purchased for sale and/or sold hereunder.

### **Wholesale Power Cost Adjustment**

The Cooperative shall, if purchased power cost is increased or decreased above or below the base purchased power cost of \$0.081638 per kWh sold, flow through such increases or decreases to all classes of customers.

In addition to the foregoing, all kWh sold to each customer under this rate schedule shall be subject to an additional temporary wholesale power cost adjustment, if any, that may be charged the Cooperative by its supplier of electricity which consists of an additional surcharge, a temporary credit and/or a fuel bank surcharge.

### **Renewable Energy Standard (RES) Surcharge**

The Cooperative shall add to its bill a RES Surcharge in accordance with the approved RES tariff to help offset the costs associated with the Cooperative's programs designed to promote alternative generation requirements that satisfy the RES as approved by the Arizona Corporation Commission. Other charges may be applicable subject to approval by the Arizona Corporation Commission.

The RPS tariff is subject to the REST Surcharge on a per kWh basis as all other Trico 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 maximum  $\times$  12 months  $\div$  365 days rounded to nearest mill (1/10 of a penny).

### **Demand Side Management Programs - DSM Adjustment Mechanism**

The Cooperative shall recover its cost for pre-approved DSM programs through a separate DSM adjustment mechanism which shall provide for a separate and specific accounting for pre-approved DSM costs.

### **Rules and Regulations**

The Rules and Regulations and Line Extension Policies of the Cooperative ("Rules") as on file with the Commission shall apply to this rate schedule.

The following Service Conditions of the Cooperative (based on A.A.C. R14-2 -201 to 213)), on file with the Commission, shall NOT apply to the following: Rules 125 through 131; Rules 301 through 303; Rules 307, 318; Rules 320 through 322; Rule 324; Rules 342 through 351; and Rule 358.

### **Experimental Service Conditions Applicable to Prepaid Metering Service Only**

#### **A. Availability:**

The Prepaid Electric Service is available only to new or existing residential customers with the following exceptions:

1. Residential critical load customers are excluded from the prepaid electric service program.
2. Customers identified under ACC R14-2-211A.5 and those customers under appropriate circumstances but beyond the scope of ACC R14-211.A.5 are not eligible for this rate.
3. Invoice groups which include loans or special billing.
4. Customer must have a valid email account and phone capable of receiving the messages and low balance alerts.

#### **B. Enrollment:**

The Customer must make a request and complete a Prepaid Electric Service Application.

1. In addition to the information provided in Rule 101, the prepaid applicant is encouraged to provide the following:
  - a. Secondary email address

- b. Cell phone number with text capability and/or second phone number
    - c. Other approved method of communication other than US Postal Mail.
  2. The Cooperative will allow enrollment into prepaid service if the customer meets the eligibility requirements, including:
    - a. The Customer must pay all applicable fees prior to commencement of service.
    - b. A \$50.00 credit balance has been established to activate the account.
- 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. Trico business offices during normal business hours.
  2. Integrated Voice Recognition (IVR) at 520-744-2944 or 1-866-999-8441.
  3. Online at [www.trico.coop](http://www.trico.coop) 24 hours a day.
- D. **Estimating Prepaid Balances and Customer Notices:**
  1. Trico can provide an estimate based upon the most current use history of the customer, of the suggested amount to be initially deposited with Trico and the estimated days that such prepayment should provide paid electric service for the customer.
  2. 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.trico.coop](http://www.trico.coop) any time. Upon request, Customers can be notified of their estimated balance by email, and/or other electronic means if customer provides the necessary contact information.
    - a. The notice will be generated daily when the Customer's credit balance is less than their current daily average usage times four (4). The daily average usage will be calculated using up to the previous thirty (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 customer 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 prepaid 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. There is a debt recovery feature available within limits to recover amounts due from a 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 \$400.00
    - b. Outstanding amounts over \$400.00 must be paid down to the \$400.00 level prior to being eligible for the 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 four (4) months.
    - d. If the Customer fails to pay the outstanding balance within the four (4) months allowed, Trico has the right to disconnect the prepaid service until the outstanding balance is paid in full.
  4. Trico will transfer the existing membership fee on the post-paid to the new account where the customer will not be required to make an additional payment.
  5. The customer may elect to convert from prepaid electric 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 prepaid accounts may not re-apply for a new Prepaid account at the same location for a six (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 customer 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.
3. Following a disconnect because the account does not have a credit balance, the customer must pay any unpaid balance from the result of energy consumption from the time the account has reached a zero (\$0.00) balance and when the Cooperative issued the disconnection command, plus purchase a minimum of \$20.00 prepaid electric service, if applicable, 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 ten (10) days, the account will be considered closed and the Cooperative will mail a final bill to the last known address of the customer on file for all unpaid charges.
5. Service will not be disconnected where weather will be especially dangerous to health as defined in the Cooperative's Rules or as determined by the Commission.



## APPLICATION FOR RESIDENTIAL PREPAID SERVICE

Residential Prepaid Service allows you to open an account without paying a security deposit. It allows you to pay as little and as often as you need to maintain a credit-balance. Prepaid rate (RPS) may not be suitable to all Members and is not available to non-residential, time-of-use, net metering or critical load (medical necessity) customers or for those participating in the Budget Billing program.

- **New Members:** A New Membership will be established, \$50.00 service charge and a minimum \$50.00 credit for daily usage/monthly fees are required for initial service (same for new postpaid accounts).
- **Existing Members:** Your deposit (if applicable) is applied toward any outstanding balance of the post-paid account with the remaining credit (if applicable) applied to your prepaid service. A minimum \$50.00 credit for daily usage/monthly fees are required for initial prepaid service.
- The prepaid account balance is calculated daily with adjustments of all charges and fees deducted from the prepaid credit balance. The balance is reduced by kWh consumption and fees and increased when payments are applied. The account will be reconciled once per month but a statement will not be provided. In the event a valid meter reading cannot be acquired, the Estimation Methodologies Rate is applicable for purposes of bill estimation. The methodology may be found in the Trico Standard Offer Tariff – Estimation Methodologies, Schedule EM
- Members can access their prepaid account balances and monitor usage online at [trico.smarthub.coop](http://trico.smarthub.coop).
- Members can update payment information and make payments online at [trico.smarthub.coop](http://trico.smarthub.coop), or by contacting or visiting any Trico office during normal business hours or by calling ENTER PHONE NUMBER and following the payment option prompts.
- **The Member** is responsible for ensuring that a credit balance is maintained on their prepaid account to avoid disconnection. Prepaid Members must be able to receive low balance notification via email, phone or text messages.
- Daily notifications will be issued when the Member's credit balance is less than 4 times their current daily average usage.
- **The Member** is solely responsible for managing and updating the notification settings on their prepaid account (found online at [trico.smarthub.coop](http://trico.smarthub.coop)) – including keeping contact information current.
- When the prepaid balance reaches zero (\$0.00), service is subject to disconnect – Monday to Friday 9:00 am to 2:00 pm, excluding holidays\*. A minimum payment of \$20.00 is required to restore a prepaid credit balance.
- If the prepaid account is disconnected because the account has a positive/debit balance and does not become current within 10 days, the account will be considered closed and the Cooperative will mail a final bill for all unpaid charges to the last known address on file.
- Trico will uniformly apply Service Rule 358 Non-Permissible Reasons to Terminate Electric Service to postpaid and prepaid accounts.
- Prepaid service accounts terminated at the request of the Member will receive a refund of any remaining credit after all final bill amounts have been calculated and deducted.
- The Member may elect to convert the prepaid account to a post-paid service account once per 6 month period. Trico may require full payment of a deposit and balances due as a condition of continued service.
- Any insufficient funds payments and resulting fees will be charged to the Member's account immediately. If this causes the credit balance to be exhausted, service is subject to immediate disconnect.

The Member Holds Harmless Trico, its directors, officers, employees and agents for damages resulting from disconnecting service in accordance with approved tariffs and rules and regulations of the Cooperative.

**Option for Customers with an outstanding balance** (of no more than \$400.00);

I agree that \_\_\_\_\_ % of each prepaid payment will be applied to the outstanding debt, with an appropriate number of payments to pay-off the balance within 4 months or as agreed by Trico and the Members as follows:

\$ \_\_\_\_\_ (Debt Amount)                      \_\_\_\_\_ (No. of months)

Member Initials: \_\_\_\_\_                      Trico Member Service Rep Initials: \_\_\_\_\_

**I have carefully read the terms and conditions within the Trico Prepaid Service Agreement and understand the difference between prepaid service and standard residential (postpaid) service. I am requesting that Trico establish prepaid electric service for my account.**

Member Name \_\_\_\_\_ Account No. \_\_\_\_\_

**Member Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

Contact Mailing Address \_\_\_\_\_

Contact Email Address (es) \_\_\_\_\_

Contact Telephone Number(s) \_\_\_\_\_

Text Message Number(s) \_\_\_\_\_

Contact information for receiving balance alerts:

Contact Email Address(es) \_\_\_\_\_

Text Message Number(s) \_\_\_\_\_

Name, Contact Number, mailing and email address of person provided as back up:

\*Holidays: New Year's Day, President's Day, Memorial Day, Martin Luther King Jr. Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve and Christmas Day. Usually when falling on a Saturday, the Friday before is treated as the holiday and when falling on Sunday, the Monday after is treated as the holiday.

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