

ORIGINAL

NEW APPLICATION



0000174369

LAW OFFICES OF

WILLIAM P. SULLIVAN P.L.L.C.

Arizona Corporation Commission

DOCKETED

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL

October 31, 2016

OCT 31 2016

2016 OCT 31 File No: 2056-1-6

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

DOCKETED BY RA.

E-01750A-16-0393

Re: Application of Mohave Electric Cooperative, Incorporated
For 1) A New Standard Offer - Optional Prepaid Small Commercial Service –
Energy Rate Tariff, Schedule PSCS-E; 2) Modification of the Prepaid Service
Agreement and 3) Modification of the Standard Offer - Optional Prepaid
Residential Service Tariff, Schedule PRS
Docket No E-01750A-16-
To be Effective – January 1, 2017

Dear Docket Supervisor:

Mohave Electric Cooperative, Incorporated (“MEC”) requests a new docket be opened regarding this submittal of an application as set forth above. This filing is made pursuant to A.R.S. § 40-367a.

Waiver of 30 day Effective Date

MEC expressly waives the right to have the tariff go into effect immediately following 30 days notice to the Commission and to the public unless the Commission directs otherwise. However, pursuant to A.R.S. § 40-367a, the new Optional Prepaid Small Commercial Service – Energy Rate Tariff, and the modifications to the Prepaid Service Application and to the Optional Prepaid Residential Service Tariff will be effective January 1, 2017, unless otherwise ordered by the Commission prior thereto.

BACKGROUND

By Decision No. 73352 dated August 21, 2012, the Commission approved an Optional Prepaid Residential Service Tariff (Schedule PRS) and a form of Prepaid Service Agreement. Residential members/customers of MEC have welcomed the prepaid option and a significant number have opted to take prepaid residential service.

At the request of its small commercial members, MEC desires to offer a similar optional prepaid service to those customers who otherwise are on or qualify to be on the standard offer-small commercial-energy rate tariff (Schedule SCS).

501 East Thomas Road
Phoenix, Arizona 85012-3205

Telephone: (602) 393-1700
Email: wps@wsullivan.attorney

Water-Power-Sewer

By this Application, Mohave files the following to be effective January 1, 2017 unless prior thereto the Commission has ordered otherwise:

1. A new Schedule PSCS-E Tariff (optional prepaid small commercial service-energy rate);
2. A modified prepaid service agreement; and
3. A slightly modified Schedule PRS Tariff (optional prepaid residential service);

New Optional Prepaid Small Commercial Service – Energy Rate

The proposed Standard Offer - Optional Prepaid Small Commercial Service – Energy Rate Tariff (Schedule PSCS) is enclosed. The rate is the same rate as approved for small commercial service – energy rate customers (Schedule SCS-E), except the customer charge is calculated and charged on a daily basis. The format of the new optional prepaid tariff (Schedule PSCS-Energy) closely tracks the tariff in place for optional prepaid residential service, with the following differences:

1. All references to “residential” are either replaced with “small commercial” or deleted;
2. The initial prepaid amount is increased from \$40 to \$100 to reflect the higher average monthly bill for small commercial customers;
3. The restoration balance following disconnection must be not less than \$50 to reestablish service rather than \$20 (again to recognize the higher average monthly bill for small commercial customers); and
4. A few other language clarifications (similar clarifications are made in the modified optional prepaid residential service tariff).

The same rules and regulations waived under the optional prepaid residential service are waived under the optional small commercial service-energy rate.

Modification of the Prepaid Service Agreement

MEC has modified the Prepaid Service Agreement so that the same form can be used for both its residential and small commercial prepaid customers. Copies of the modified form, together with a redline showing the changes to the current residential prepaid service agreement are enclosed.

Modification of the Standard Offer - Optional Prepaid Residential Service Tariff

In preparing the optional prepaid service tariff for small commercial customers, MEC identified a few language changes that would be appropriate for its existing Schedule PRS. A copy of the proposed modified Schedule PRS as well as a redline showing the changes to the

Docket Control
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Page 3

existing Schedule PRS are enclosed.

All communications relating to this filing should be submitted to:

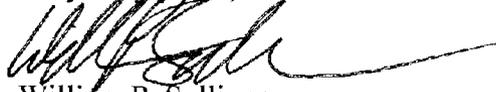
William P. Sullivan, Esq.
Law Offices of William P. Sullivan, PLLC
501 East Thomas Road
Phoenix, Arizona 85012
wps@wsullivan.attorney

With copies to:

Jonathan Coury
Hool Coury Law, PLC
2398 East Camelback Road, Suite 1020
Phoenix, Arizona 85016
jcoury@hoolcourylaw.com

Peggy Gillman
Zach Spencer
Mohave Electric Cooperative, Incorporated
Post Office Box 1045
Bullhead City, Arizona 86430
pgillman@mohaveelectric.com
zspencer@mohaveelectric.com

Very truly yours,



William P. Sullivan
For the Firm

WPS/maw

Enclosures: Optional Small Commercial Service Tariff (clean only)
Prepaid Service Agreement (clean and redline)
Optional Prepaid Residential Service Tariff (clean and redline)

cc: J. Tyler Carlson, CEO
Jon Coury, Esq.

2056-012-0200 \Pleadings-Working\Draft Application\Docket Small Comm Prepaid 10 31 16

The Law Offices of William P. Sullivan, PLLC
501 East Thomas Road
Phoenix, Arizona 85012-3205

Water-Power-Sewer

Telephone: (602) 393-1700
Email: wps@wsullivan.attorney

ELECTRIC RATES

MOHAVE ELECTRIC COOPERATIVE, INCORPORATED

1999 Arena Drive

Bullhead City, Arizona 86442

Filed By: J. Tyler Carlson

Title: CEO/General Manager

Effective Date: January 1, 2017

STANDARD OFFER TARIFF

OPTIONAL PREPAID SMALL COMMERCIAL SERVICE-ENERGY RATE SCHEDULE PSCS-E

Availability

In the Cooperative's Certificated Area to standard offer small commercial customers otherwise served under the Cooperative's Rate Schedule SCS-E where the Cooperative's facilities are of adequate capacity and the required phase and suitable voltage and necessary equipment are all in existence on and adjacent to the premises served.

Application and Type of Service

Applicable to qualifying services receiving alternating current, single phase, 60 Hertz, at available secondary voltages where service is provided through a single meter where the customer elects this optional prepaid service. This rate is not available to time of use or net metering customers or three phase service. This rate is not suitable for customers that are unable or unwilling to receive, recognize and respond to low balance warnings or to reach and push the reconnect button located at the meter whenever service is disconnected. This rate is not applicable to standby, supplementary or resale service.

Monthly Rate (Same as Schedule SCS-E with customer charge as per day rate)

SM COMMERCIAL-ENERGY PSCS-E	Power Supply	Distribution Charges					Total Rate
		Metering	Meter Reading	Billing	Access	Total	
Customer Charge (\$/Customer/Day)		\$0.1269	\$0.0355	\$0.1644	\$0.3800	\$0.7068	\$0.7068
Energy Charge (\$/kWh)	\$0.088094				\$0.015252	\$0.015252	\$0.103346

**OPTIONAL PREPAID SMALL COMMERCIAL SERVICE-ENERGY RATE
SCHEDULE PSCS-E**

Minimum Monthly Charge

The greater of the following, not including any purchased power cost adjustor or any other adder approved by the Arizona Corporation Commission:

1. The Customer Charge
2. The amount specified in the written contract between the Cooperative and the customer.

Billing Adjustments and Adders

This rate is subject to all billing adjustments outlined in Schedule A.

Other Charges

Other charges may be applicable subject to approval by the Arizona Corporation Commission.

Rules and Regulations

The Rules and Regulations of the Cooperative as on file with the Arizona Corporation Commission shall apply to customers provided service under this Service Schedule where not expressly inconsistent with this Service Schedule. MEC's compliance with the applicable provisions of its rules governing Establishment of Service (A.A.C. R14-2-203), Billing and Collection (A.A.C. R14-2-210) and Termination of Service (A.A.C. R14-2-211) is waived.

Prepaid Service – Express Conditions

1. Application for Optional Prepaid Service: To receive optional prepaid service the customer shall:
 - a. Be a standard service small commercial customer (including providing a completed Membership Application) meeting the requirements set forth above under Availability and Application and Type of Service.
 - b. Execute a Prepaid Metering Agreement requesting this optional service.
 - c. Pay any outstanding balance or pay an agreed upon portion of the outstanding balance and enter into a payment agreement pursuant to Subsection 110-G of the Cooperative's rules and regulations.
 - d. Pay the Cooperative's Establishment Fee and an agreed upon prepay amount of not less than \$100.00 upon subscribing to the prepaid metering option.
 - e. Have voice message, e-mail or text message capability in order to receive the messages and low balance alerts. Customers must have at least two reliable methods of receiving messages and low balance alerts, but one can be through a backup contact person.
2. Customer Deposits:
 - a. No additional customer deposit will be required. Prepayments are not deemed deposits and are not eligible for interest pursuant to Subsection 102-C 3.d. of the Cooperative's rules and regulations.
 - b. Deposits of an existing customer electing to receive optional prepaid service under this rate schedule shall first be applied against any outstanding bill. Once the remaining deposit is subject to refund pursuant to Subsection 102-C 3.c. of the Cooperative's rules and regulations, any balance will be applied to their prepaid account.

**OPTIONAL PREPAID SMALL COMMERCIAL SERVICE-ENERGY RATE
SCHEDULE PSCS-E**

3. Account Information and Billing:
- a. Monthly statements will still be generated for service provided under this optional prepaid service rate schedule covering monthly usage during the billing cycle.
 - b. Account information relating to a customer's remaining prepaid balance can be accessed through:
 - 1) The Cooperative's business offices during normal business hours.
 - 2) Integrated Voice Recognition (IVR) at 1-877-371-9379 (select Option #1).
 - 3) On line at www.mohaveelectric.com 24 hours a day.
 - c. The Cooperative shall update the remaining prepaid balance at least once each business day, subject to system operational difficulties.
 - d. Historical average daily usage information will be available on line or at the Cooperative's business offices. Actual daily usage can only be secured through the Cooperative's business offices, or on line.
 - e. The billing information made available on line and through the Cooperative's business office shall contain the minimum bill information set forth in Subsection 110-A of the Cooperative's rules and regulations, except that daily billed kWh usage shall only be available through the Cooperative's business offices or on line and no kW demand will be provided.
4. Payments: The small commercial customer may make subsequent prepayments as often as desired by making payments in person at the Cooperative's office, or by mailed check; or any time, including after hours, by utilization of the Cooperative's electronic payment system found on the Cooperative's website, or the Cooperative's IVR remote payment system at no cost in fees to the small commercial customer. The website and IVR payment systems require a minimum payment of \$5.00.
5. Disconnection: Disconnection of prepaid service may be made remotely without an on-site visit when the customer's prepaid balance reaches zero, except that no disconnection shall occur:
- a. When the local weather forecast, as predicted by the National Oceanographic and Administration Service, indicates that the temperature will not exceed 32 degrees Fahrenheit for the next day's forecast. The ACC may determine that other weather conditions are especially dangerous to health as the need arises.
 - b. Outside normal business hours: Normal business hours are Monday – Friday, excluding Cooperative recognized holidays. The actual dates of all holidays for the calendar year will be posted on the Cooperative's website.
6. Notice: In lieu of written notice of disconnect pursuant to Subsection 111-C of the Cooperative's rules and regulations, the Cooperative shall notify the customer by electronic mail or text messaging, where provided, and by interactive voice response phone call at the number provided by the customer reminding the small commercial customer that additional prepaid funds are necessary as the current prepaid amount becomes nearly consumed.
- a. Notice shall be generated daily once the customer's credit balance is less than:
 - 1) \$25.00 from October 1 to February 28 or 29
 - 2) \$35.00 from March 1 to June 30

**OPTIONAL PREPAID SMALL COMMERCIAL SERVICE-ENERGY RATE
SCHEDULE PSCS-E**

3) \$50.00 from July 1 to September 30

7. Re-Establishing Disconnected Service:

- a. Should the small commercial customer neglect to make payment prior to disconnection, an additional payment to restore the prepaid balance to not less than \$50.00 is necessary to re-establish service. Payment may be made through any of the means described above in paragraph (4). Service will be restored no later than the following business day. For the customer's safety and to protect property, the customer must then push the reset button at the meter to re-establish service.
- b. An account will be closed if the disconnected service has not been re-established within 10 days after disconnection. The Cooperative (i) will notify the customer the account is closed in the same manner the customer received messages and alerts of a low balance and (ii) will also mail a final bill for all unpaid charges to the customer's last known address on file with the Cooperative. In addition to satisfying paragraph 7a, the customer must pay an Establishment Fee to re-establish a closed account.

8. Opting In or Out of Prepaid Service:

- a. Any small commercial customer of the Cooperative may opt-in or opt-out of prepaid metering service at any time; however, the small commercial customer may change rate options no more than two (2) times in a calendar year, including the initial election of the prepaid metering option.
- b. Any small commercial customer who opts-out of this rate and continues service with the Cooperative will be required to:
 - 1) Pay an Establishment Fee, and
 - 2) Re-establish credit with the Cooperative as set forth in Subsection 102-E of the Cooperative's rules and regulations; provided, however, utilization of the prepaid metering option for a period of twelve (12) consecutive months without disconnection of service shall have demonstrated the establishment, or re-establishment of satisfactory credit with the Cooperative and shall not be required to post a deposit for continuing service.
- c. Any prepaid balance that remains at the time of transfer to another rate schedule will be applied toward the Establishment Fee, then toward the deposit, then to any balance remaining under a payment agreement and finally, if any balance still remains, as a credit on the first billing.

Contract

If service is requested in the Cooperative's Certificated Area and the provision outlined in the Availability Clause of this rate tariff cannot be met, it will be necessary for the Cooperative and customer to mutually agree, in a written contract, on the conditions under which service will be made available.

Mohave Electric Cooperative (MEC) Prepaid Service Agreement

The Prepaid Service Plan (the "Plan") is an optional program approved by the Arizona Corporation Commission for MEC's qualifying standard offer, single phase residential and small commercial members who desire to alleviate the financial impact of posting a deposit or otherwise securing their service account. The Plan is available for single phase residential and small commercial services up to 200 AMP. It is not available to time-of-use, net metering, demand rate or critical (medical necessity) members or for those participating in the Budget Payment Plan. The Plan is not suitable for members who are unable or unwilling to receive, recognize and respond to low balance warnings or to reach and push the reconnect button located at the meter in the case service is disconnected. The Plan is designed to give the member more control over their electric usage and more opportunities to reduce their electricity costs. Some of the plan's features that are designed to help members include:

- No requirement for a security deposit
- Smaller, more frequent payments can be made on the account
- Avoid late fees
- Monitor usage online or by contacting MEC business offices.

To participate in the Plan, new prepay members pay the standard \$5 Co-op membership fee (if not previously paid), a \$40 establishment fee, and establish a prepaid account balance of at least \$40 for residential service or \$100 for small commercial service.

Payments can be made on the Plan utilizing any of MEC's payment systems, including online payments, electronic telephone payments (1-877-371-9379, select Option#1) and payments at our Member Service office, 928 Hancock Rd., Bullhead City, during normal MEC business hours. The Plan offers the members access to their current and historical consumption to assist them in managing their prepaid service. Once a member has registered online, this history can be accessed and their contact information updated with a secured member login at MEC's member website. Alternatively, the member can contact the Cooperative's business offices during normal business hours. Daily usage information is available through MEC's website and business offices. The information is updated once prior to the start of each business day.

MEC's Prepaid Service Plan is available to qualifying residential and small commercial members with single phase service up to 200 AMP, where MEC has installed the required technology and can connect and disconnect your service remotely so no serviceman is needed to be dispatched. However, to protect property and the member's safety, the member must push a reset button at the meter to re-establish service.

Initial

_____ Electric service is subject to immediate disconnection any time during normal business hours (M-F, excluding holidays and scheduled office closures*) if an account does not have a credit (prepaid) balance, except where the temperature will not exceed 32 degrees Fahrenheit for the next day's forecast, or other weather conditions as determined by the Arizona Corporation Commission.

_____ Members who provide an email contact will receive a daily email that shows their remaining prepaid balance in dollars and cents. Members can also access their balance on the MEC website, telephonically through the MEC integrated voice recognition system (1-877-371-9379, select Option#1) or by calling MEC's business offices, during normal business hours. The balance information is updated before the start of each business day.

_____ The member will receive recorded voice and electronic message warning notices of low prepaid balances on their account once the balance is less than pre-determined dollar limits that vary seasonally as set forth in MEC's applicable Tariff. Warnings will be provided by email, phone or text message to the phone numbers and email addresses designated by the member. These messages will be sent daily until the prepaid balance is exhausted. Other methods of notification may be used with the consent of MEC and the member.

_____ When the prepaid balance reaches zero, the recorded voice and electronic message warning notices will indicate that disconnection will occur the next business day. It is the member's responsibility to make adequate payment to avoid disconnection. After disconnection, any outstanding balance plus a prepaid balance of at least \$20 for residential or \$50 for small commercial service must be paid by member to their account in order to have service restored. Upon the member re-establishing the minimum prepaid balance, service will be restored no later than the following business day, subject to the member pushing the reset button at the meter and operational constraints, such as outages and equipment failures.

Effective January 1, 2017

**Mohave Electric Cooperative (MEC)
Prepaid Service Agreement**

_____ The account will be closed after disconnection if the minimum prepaid account balance has not been re-established within 10 days after disconnection. If the account is closed MEC's Establishment Fee of \$50 will also need to be paid to re-establish prepaid service.

Prepaid accounts will be administered in accordance with MEC's Rules and Regulations and Tariffs, approved by the Arizona Corporation Commission, that apply to Prepaid Service (Subsection 102-I and Rate Schedule PRS), as amended from time to time. The Commission has waived MEC's compliance with the applicable provisions of its rules governing Establishment of Service (A.A.C. R14-2-203), Billing and Collection (A.A.C. R14-2-210), and Termination of Service (A.A.C. R14-2-211).

Initial

_____ Member recognizes the need to be able to receive, recognize and respond to low balance warnings and to be able to reach and push the reconnect button located at their meter in the event service is disconnected for any reason. Upon becoming unable to meet the foregoing conditions, member shall notify MEC within 10 days and transfer to standard (postpaid) service, including payment of any deposit and fees required under MEC's Rules and Regulations.

_____ Member authorizes MEC to charge their prepaid account for electric services rendered in accordance with the Rules and Regulations and Tariffs of the Cooperative.

_____ Member understands that electing Prepaid Service may require use of a wireless device/meter and by electing Prepaid Service, member consents to the use of wireless devices and meters.

_____ Member has the ability to access their consumption history as described above and it is their responsibility to utilize the balance information and their consumption in order to maintain a prepaid balance in their account at all times to avoid disconnection of service.

_____ Member is responsible for maintaining accurate contact information including telephone number, email address and mailing address at all times.

_____ By providing a phone number, either cell or landline, member represents and warrants it is their number and also consents for the duration of their membership to the use of the phone number for MEC communication services, including the circumstance of what is designated as the cell phone debt collection "robo-call" communication service.

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

* The current year's holidays and scheduled office closures are listed on the Cooperative's website.

I have carefully read and I understand the terms within the Mohave Prepaid Service Agreement and understand the difference between prepaid service and standard residential (postpaid) or standard small commercial (postpaid) service. I am requesting that MEC establish prepaid electric service for my account.

Account Number _____

Member Signature _____ **Date** _____

Member Signature _____ **Date** _____

Contact Mailing Address _____

Must provide at least two, but no more than four, and identify order preference (1 - 4)

(Indicate Name of any person whose number is being provided as a backup)

Contact Email Address(es) _____

Contact Telephone Number(s) _____

Text Message Number(s) _____

Effective January 1, 2017

Mohave Electric Cooperative (MEC) Prepaid Service Agreement

The Prepaid Service Plan (the "Plan") is an optional program approved by the Arizona Corporation Commission for MEC's qualifying standard offer, single phase residential and small commercial customers-members who desire to alleviate the financial impact of posting a deposit or otherwise securing their service account. The Plan is available for single phase residential and small commercial services up to 200 AMP. It is not available to time-of-use, net metering, demand rate or critical (medical necessity) customers-members or for those participating in the Budget Payment Plan. The Plan is not suitable for members that-who are unable or unwilling to receive, recognize and respond to low balance warnings or to reach and push the reconnect button located at the meter in the case service is disconnected. The Plan is designed to give the member more control over their electric usage and more opportunities to reduce their electricity costs. Some of the plan's features that are designed to help members include:

- No requirement for a security deposit
- Smaller, more frequent payments can be made on the account
- Avoid late fees
- Monitor usage online or by contacting MEC business offices.

To participate in the Plan, new prepay members pay the standard \$5 Co-op membership fee (if not previously paid), a \$40 establishment fee, and establish a prepaid account balance of at least \$40 for residential service or \$100 for small commercial service.

Payments can be made on the Plan utilizing any of MEC's payment systems, including online payments, electronic telephone payments (1-877-371-9379, select Option#1) and payments at our Customer-Member Service office, 928 Hancock Rd., Bullhead City, during normal MEC business hours. The Plan offers the members access to their current and historical consumption to assist them in managing their prepaid service. Once a member has registered online, this history can be accessed and their contact information updated with a secured member login at MEC's member website. Alternatively, the Customer-member can contact the Cooperative's business offices during normal business hours. Daily usage information is available through MEC's website and business offices. The information is updated once prior to the start of each business day.

MEC's Prepaid Service Plan is available to qualifying residential customers-and small commercial members with single phase service up to 200 AMP, where MEC has installed the new AMI digital metering required technology and can connect and disconnect your service remotely so no serviceman is needed to be dispatched. However, to protect property and the Customer's/member's safety, the Customer-member must push a reset button at the meter to re-establish service.

Initial

_____ Electric service is subject to immediate disconnection any time during normal business hours (M-F, 8 a.m. to 5 p.m., excluding holidays and scheduled office closures*) if an account does not have a credit (prepaid) balance, except where the temperature will not exceed 32 degrees Fahrenheit for the next day's forecast, or other weather conditions as determined by the Arizona Corporation Commission.

_____ Members that-who provide an email contact will receive a daily email that shows their usage in kWh and their remaining prepaid balance in kWh as well as monetary amount remaining-dollars and cents. Members can also access their balance on the MEC website, telephonically through the MEC integrated voice recognition system (**1-877-371-9379, select Option#1**) or by calling MEC's business offices, during normal business hours. The balance information is updated before the start of each business day.

_____ The member will receive recorded voice and electronic message warning notices of low prepaid balances on their account once the balance is less than pre-determined dollar limits that vary seasonally as set forth in MEC's applicable Prepaid Residential Services ("PRS") Tariff. Warnings will be provided by email, phone or text message to the phone numbers and email addresses designated by the member. These messages will be sent daily until the prepaid balance is exhausted. Other methods of notification may be used with the consent of MEC and the customer/member.

_____ When the prepaid balance reaches zero, the recorded voice and electronic message warning notices will indicate that disconnection will occur the next business day. It is the member's responsibility to make adequate

**Mohave Electric Cooperative (MEC)
Prepaid Service Agreement**

payment to avoid disconnection. After disconnection, any outstanding balance plus a prepaid balance of at least \$20 for residential or \$50 for small commercial service must be paid by member to their account, and to bring their account back to a prepaid balance of at least \$20 after disconnection in order to have service restored. Upon the member re-establishing the minimum prepaid balance, service will be restored no later than the following business day, subject to the member pushing the reset button at the meter and operational constraints, such as outages and equipment failures.

_____ The account will be closed after disconnection if the minimum prepaid account balance has not been re-established by the end of the billing cycle applicable to the service location, but not less than within 10 days after disconnection. If the account is closed MEC's Establishment Fee of \$40 will also need to be paid to re-establish prepaid service.

Prepaid accounts will be administered in accordance with MEC's Rules and Regulations and Tariffs, approved by the Arizona Corporation Commission, that apply to Prepaid Service (Subsection 102-I and Rate Schedule PRS), as amended from time to time. The Commission has waived MEC's compliance with the applicable provisions of its rules governing Establishment of Service (A.C.A.C. R14-2-203), Billing and Collection (A.C.A.C. R14-2-210), and Termination of Service (A.C.A.C. R14-2-211).

Initial _____

_____ Member recognizes the need to be able to receive, recognize and respond to low balance warnings and to be able to reach and push the reconnect button located at their meter in the event service is disconnected for any reason. Upon becoming unable to meet the foregoing conditions, member shall notify MEC within 10 days and transfer to standard (postpaid) service, including payment of any deposit and fees required under MEC's Rules and Regulations.

_____ Member authorizes MEC to charge their prepaid account for electric services rendered in accordance with the Rules and Regulations and Tariffs of the Cooperative.

_____ Member understands that electing Prepaid Service may require use of a wireless device/meter and by electing Prepaid Service, member consents to the use of wireless devices and meters.

_____ Member has the ability to access their consumption history as described above and it is their responsibility to utilize the balance information and their consumption in order to maintain a prepaid balance in their account at all times to avoid disconnection of service.

_____ Member is responsible for maintaining accurate contact information including telephone number, email address and mailing address at all times.

_____ By providing a phone number, either cell or landline, member represents and warrants it is their number and also consents for the duration of their membership to the use of the phone number for MEC communication services, including the circumstance of what is designated as the cell phone debt collection "robo-call" communication service.

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

* ~~New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Day after Thanksgiving and Christmas. Usually when falling on Saturday, the Friday before is treated as the holiday and when falling on Sunday, the Monday after is treated as the holiday.~~ The current year's holidays and scheduled office closures are listed on the Cooperative's website.

I have carefully read and I understand the terms within the Mohave Prepaid Service Agreement and understand the difference between prepaid service and standard residential (postpaid) or standard small commercial (postpaid) service. I am requesting that MEC establish prepaid electric service for my account.

Account Number _____

Member Signature _____

Date _____

Member Signature _____

Date _____

Contact Mailing Address _____

Effective ~~November~~ January 1, ~~2012~~ 2017

**Mohave Electric Cooperative (MEC)
Prepaid Service Agreement**

Contact Email Address(es) _____

Contact Telephone Number(s) _____

Text Message Number(s) _____

ELECTRIC RATES

MOHAVE ELECTRIC COOPERATIVE, INCORPORATED

1999 Arena Drive

Bullhead City, Arizona 86442

Filed By: J. Tyler Carlson

Title: CEO/General Manager

Effective Date: January 1, 2017

STANDARD OFFER TARIFF

**OPTIONAL PREPAID RESIDENTIAL SERVICE
SCHEDULE PRS**

Availability

In the Cooperative's Certificated Area to standard offer residential customers otherwise served under the Cooperative's Rate Schedule R where the Cooperative's facilities are of adequate capacity and the required phase and suitable voltage and necessary equipment are all in existence on and adjacent to the premises served.

Application and Type of Service

Applicable to qualifying services receiving alternating current, single phase, 60 Hertz, at available secondary voltages where service is provided through a single meter where the customer elects this optional prepaid service. This rate is not available: (i) to critical (medical necessity), time of use or net metering customers, (ii) for three phase service or (iii) for customers on the Cooperative's Budget Payment Plan. This rate is not suitable for customers that are unable or unwilling to receive, recognize and respond to low balance warnings or to reach and push the reconnect button located at the meter whenever service is disconnected. This rate is not applicable to standby, supplementary or resale service.

Monthly Rate (Same as Schedule RS with customer charge as per day rate)

RESIDENTIAL SERVICE PRS	Power Supply	Distribution Charges					Total Rate
		Metering	Meter Reading	Billing	Access	Total	
Customer Charge (\$/Customer/Day)		\$0.0999	\$0.0355	\$0.1660	\$0.2410	\$0.5424	\$0.5424
Energy Charge (\$/kWh) (Single Phase)							
First 400 kWh per month	\$0.081047				\$0.009029	\$0.009029	\$0.090076
Next 600 kWh per month	\$0.094547				\$0.010529	\$0.010529	\$0.105076
Over 1,000 kWh per month	\$0.108047				\$0.012029	\$0.0122029	\$0.120076

**RESIDENTIAL SERVICE
SCHEDULE PRS**

Minimum Monthly Charge

The greater of the following, not including any purchased power cost adjustor or any other adder approved by the Arizona Corporation Commission:

1. The Customer Charge
2. The amount specified in the written contract between the Cooperative and the customer.

Billing Adjustments and Adders

This rate is subject to all billing adjustments outlined in Schedule A.

Other Charges

Other charges may be applicable subject to approval by the Arizona Corporation Commission.

Rules and Regulations

The Rules and Regulations of the Cooperative as on file with the Arizona Corporation Commission shall apply to customers provided service under this Service Schedule where not expressly inconsistent with this Service Schedule. MEC's compliance with the applicable provisions of its rules governing Establishment of Service (A.A.C. R14-2-203), Billing and Collection (A.A.C. R14-2-210, and Termination of Service (A.A.C. R14-2-211) is waived.

Prepaid Service – Express Conditions

1. Application for Optional Prepaid Service: To receive optional prepaid service the customer shall:
 - a. Be a standard service residential customer (including providing a completed Residential Membership Application) meeting the requirements set forth above under Availability and Application and Type of Service.
 - b. Execute a Prepaid Metering Agreement requesting this optional service.
 - c. Pay any outstanding balance or pay an agreed upon portion of the outstanding balance and enter into a payment agreement pursuant to Subsection 110-G of the Cooperative's rules and regulations.
 - d. Pay the Cooperative's Establishment Fee and an agreed upon prepay amount of not less than \$ 40.00 upon subscribing to the prepaid metering option.
 - e. Have voice message, e-mail or text message capability in order to receive the messages and low balance alerts. customers must have at least two reliable methods of receiving messages and low balance alerts, but one can be through a backup contact person.
2. Customer Deposits:
 - a. No additional customer deposit will be required. Prepayments are not deemed deposits and are not eligible for interest pursuant to Subsection 102-C 3.d. of the Cooperative's rules and regulations.
 - b. Deposits of an existing customer electing to receive optional prepaid service under this rate schedule shall first be applied against any outstanding bill. Once the remaining deposit is subject to refund pursuant to Subsection 102-C 3.c. of the Cooperative's rules and regulations, any balance will be applied to their prepaid account.

RESIDENTIAL SERVICE
SCHEDULE PRS

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3. Account Information and Billing:
- a. Monthly statements will still be generated for service provided under this optional prepaid service rate schedule covering monthly usage during the billing cycle.
 - b. Account information relating to a customer's remaining prepaid balance can be accessed through:
 - 1) The Cooperative's business offices during normal business hours.
 - 2) Integrated Voice Recognition (IVR) at 1-877-371-9379 (select Option #1).
 - 3) On line at www.mohaveelectric.com 24 hours a day.
 - c. The Cooperative shall update the remaining prepaid balance at least once each business day, subject to system operational difficulties.
 - d. Historical average daily usage information will be available at the Cooperative's business offices. Actual daily usage can only be secured through the Cooperative's business offices or on line.
 - e. The billing information made available on line and through the Cooperative's business office shall contain the minimum bill information set forth in Subsection 110-A of the Cooperative's rules and regulations, except that daily billed kWh usage shall be available through the Cooperative's business offices or on line and no kW demand will be provided.
4. Payments: The residential customer may make subsequent prepayments as often as desired by making payments in person at the Cooperative's office, or by mailed check; or any time, including after hours, by utilization of the Cooperative's electronic payment system found on the Cooperative's website, or the Cooperative's IVR remote payment system at no cost in fees to the residential customer. The website and IVR payment systems require a minimum payment of \$5.00.
5. Disconnection: Disconnection of prepaid service may be made remotely without an on-site visit when the customer's prepaid balance reaches zero, except that no disconnection shall occur:
- a. When the local weather forecast, as predicted by the National Oceanographic and Administration Service, indicates that the temperature will not exceed 32 degrees Fahrenheit for the next day's forecast. The ACC may determine that other weather conditions are especially dangerous to health as the need arises.
 - b. Outside normal business hours. Normal business hours are Monday – Friday, excluding Cooperative recognized holidays. The actual dates of all holidays for the calendar year will be posted on the Cooperative's website.
6. Notice: In lieu of written notice of disconnect pursuant to Subsection 111-C of the Cooperative's rules and regulations, the Cooperative shall notify the customer by electronic mail or text messaging, where provided, and by interactive voice response phone call at the number provided by the customer reminding the residential customer that additional prepaid funds are necessary as the current prepaid amount becomes nearly consumed.
- a. Notice shall be generated daily once the customer's credit balance is less than:
 - 1) \$25.00 from October 1 to February 28 or 29
 - 2) \$35.00 from March 1 to June 30
 - 3) \$50.00 from July 1 to September 30.

**RESIDENTIAL SERVICE
SCHEDULE PRS**

7. Re-Establishing Disconnected Service:

- a. Should the residential customer neglect to make payment prior to disconnection, an additional payment to restore the prepaid balance to not less than \$ 20.00 is necessary to re-establish service. Payment may be made through any of the means described above in paragraph (4). Service will be restored no later than the following business day. For the customer's safety and to protect property, the customer must then push the reset button at the meter to re-establish service.
- b. An account will be closed if the disconnected service has not been re-established within 10 days after disconnection. The Cooperative (i) will notify the customer the account is closed in the same manner the customer received messages and alerts of a low balance and (ii) will also mail a final bill for all unpaid charges to the customer's last known address on file with the Cooperative. In addition to satisfying paragraph 7a, the customer must pay an Establishment Fee to re-establish a closed account.

8. Opting In or Out of Prepaid Service:

- a. Any residential customer of the Cooperative may opt-in or opt-out of prepaid metering service at any time; however the residential customer may change rate options no more than two (2) times in a calendar year, including the initial election of the prepaid metering option.
- b. Any residential customer who opts-out of this rate and continues service with the Cooperative will be required to:
 - 1) Pay an Establishment Fee, and
 - 2) Re-establish credit with the Cooperative as set forth in Subsection 102-E of the Cooperative's rules and regulations; provided, however, utilization of the prepaid metering option for a period of twelve (12) consecutive months without disconnection of service shall have demonstrated the establishment, or re-establishment of satisfactory credit with the Cooperative and shall not be required to post a deposit for continuing service.
- c. Any prepaid balance that remains at the time of transfer to another rate schedule will be applied toward the Establishment Fee, then toward the deposit, then to any balance remaining under a payment agreement and finally, if any balance still remains, as a credit on the first billing.

Contract

If service is requested in the Cooperative's Certificated Area and the provision outlined in the Availability Clause of this rate tariff cannot be met, it will be necessary for the Cooperative and customer to mutually agree, in a written contract, on the conditions under which service will be made available.

ELECTRIC RATES

MOHAVE ELECTRIC COOPERATIVE, INCORPORATED
1999 Arena Drive
Bullhead City, Arizona 86442 Filed By: J. Tyler Carlson
Title: CEO/General Manager

Effective Date: ~~November 1, 2012~~ January 1, 2017

STANDARD OFFER TARIFF

OPTIONAL PREPAID RESIDENTIAL SERVICE SCHEDULE PRS

Availability

In the Cooperative's Certificated Area to standard offer residential customers otherwise served under the Cooperative's Rate Schedule R where the Cooperative's facilities are of adequate capacity and the required phase and suitable voltage and necessary equipment are all in existence on and adjacent to the premises served.

Application and Type of Service

Applicable to qualifying services receiving alternating current, single phase, 60 Hertz, at available secondary voltages where service is provided through a single meter where the customer elects this optional prepaid service. This rate is not available: (i) to critical (medical necessity), time of use or net metering customers, (ii) for three phase service or (iii) for customers on the Cooperative's Budget Payment Plan. This rate is not suitable for customers that are unable or unwilling to receive, recognize and respond to low balance warnings or to reach and push the reconnect button located at the meter whenever service is disconnected. This rate is not applicable to standby, supplementary or resale service.

Monthly Rate (Same as Schedule RS with customer charge as per day rate)

RESIDENTIAL SERVICE PRS	Power Supply	Distribution Charges					Total Rate
		Metering	Meter Reading	Billing	Access	Total	
Customer Charge (\$/Customer/Day)		\$0.0999	\$0.0355	\$0.1660	\$0.2410	\$0.5424	\$0.5424
Energy Charge (\$/kWh) (Single Phase)							
First 400 kWh per month	\$0.081047				\$0.009029	\$0.009029	\$0.090076
Next 600 kWh per month	\$0.094547				\$0.010529	\$0.010529	\$0.105076
Over 1,000 kWh per month	\$0.108047				\$0.012029	\$0.012029	\$0.120076

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RESIDENTIAL SERVICE SCHEDULE PRS

Minimum Monthly Charge

The greater of the following, not including any purchased power cost adjustor or any other adder approved by the Arizona Corporation Commission:

1. The Customer Charge
2. The amount specified in the written contract between the Cooperative and the ~~C~~customer.

Billing Adjustments and Adders

This rate is subject to all billing adjustments outlined in Schedule A.

Other Charges

Other charges may be applicable subject to approval by the Arizona Corporation Commission.

Rules and Regulations

The Rules and Regulations of the Cooperative as on file with the Arizona Corporation Commission shall apply to ~~C~~customers provided service under this Service Schedule where not expressly inconsistent with this Service Schedule. ~~The Commission has waived~~ MEC's compliance with the applicable provisions of its rules governing Establishment of Service (~~A.A.C.A.C.C.~~R14-2-203), Billing and Collection (~~A.A.C.A.C.C.~~R14-2-210), and Termination of Service (~~A.A.C.A.C.C.~~R14-2-211) is waived.

Prepaid Service – Express Conditions

1. Application for Optional Prepaid Service: To receive optional prepaid service the ~~C~~customer shall:
 - a. Be a standard service residential customer (including providing a completed Residential Membership Application) meeting the requirements set forth above under Availability and Application and Type of Service.
 - b. Execute a Prepaid Metering Agreement requesting this optional service.
 - c. Pay any outstanding balance or pay an agreed upon portion of the outstanding balance and enter into a payment agreement pursuant to Subsection 110-G of the Cooperative's rules and regulations.
 - d. Pay the Cooperative's Establishment Fee and an agreed upon prepay amount of not less than \$ 40.00 upon subscribing to the prepaid metering option.
 - e. Have voice message, e-mail or text message capability in order to receive the messages and low balance alerts. ~~C~~customers must have at least two reliable methods of receiving messages and low balance alerts, but one can be through a backup contact person.
2. Customer Deposits:
 - a. No additional customer deposit will be required. Prepayments are not deemed deposits and are not eligible for interest pursuant to Subsection 102-C 3.d. of the Cooperative's rules and regulations.
 - b. Deposits of an existing ~~C~~customer electing to receive optional prepaid service under this rate schedule shall first be applied against any outstanding bill. Once the remaining

ELECTRIC RATES

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RESIDENTIAL SERVICE SCHEDULE PRS

deposit is subject to refund pursuant to Subsection 102-C 3.c. of the Cooperative's rules and regulations, any balance will be applied to their prepaid account.

3. Account Information and Billing:
 - a. Monthly statements will still be generated for service provided under this optional prepaid service rate schedule covering monthly usage during the billing cycle.
 - b. Account information relating to a customer's remaining prepaid balance can be accessed through:
 - 1) The Cooperative's business offices during normal business hours.
 - 2) Integrated Voice Recognition (IVR) at 1-877-371-9379 (select Option #1).
 - 3) On line at www.mohaveelectric.com 24 hours a day.
 - c. The Cooperative shall update the remaining prepaid balance at least once each business day, subject to system operational difficulties.
 - d. Historical average daily usage information will be available at the Cooperative's business offices. Actual daily usage can only be secured through the Cooperative's business offices or on line.
 - e. The billing information made available on line and through the Cooperative's business office shall contain the minimum bill information set forth in Subsection 110-A of the Cooperative's rules and regulations, except that daily billed kWh usage shall be available through the Cooperative's business offices or on line and no kW demand will be provided.
4. Payments: The residential Customer may make subsequent prepayments as often as desired by making payments in person at the Cooperative's office, or by mailed check; or any time, including after hours, by utilization of the Cooperative's electronic payment system found on the Cooperative's website, or the Cooperative's IVR remote payment system at no cost in fees to the residential Customer. The website and IVR payment systems require a minimum payment of \$5.00.
5. Disconnection: Disconnection of prepaid service may be made remotely without an on-site visit when the Customer's prepaid balance reaches zero, except that no disconnection shall occur:
 - a. When the local weather forecast, as predicted by the National Oceanographic and Administration Service, indicates that the temperature will not exceed 32 degrees Fahrenheit for the next day's forecast. The ACC may determine that other weather conditions are especially dangerous to health as the need arises.
 - b. Outside normal business hours. Normal business hours are Monday – Friday 8:00 a.m. to 5:00 p.m., excluding Cooperative recognized holidays: ~~New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, Day after Thanksgiving and Christmas. Usually when falling on Saturday, the Friday before is treated as the holiday and when falling on Sunday, the Monday after is treated as the holiday.~~ The actual dates of all holidays for the calendar year will be posted on the Cooperative's website.
6. Notice: In lieu of written notice of disconnect pursuant to Subsection 111-C of the Cooperative's rules and regulations, the Cooperative shall notify the Customer by

ELECTRIC RATES

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RESIDENTIAL SERVICE SCHEDULE PRS

electronic mail or text messaging, where provided, and by interactive voice response phone call at the number provided by the Ccustomer reminding the residential Ccustomer that additional prepaid funds are necessary as the current prepaid amount becomes nearly consumed.

- a. Notice shall be generated daily once the Ccustomer's credit balance is less than:
- 1) \$25.00 from October 1 to February 28 or 29
 - 2) \$35.00 from March 1 to June 30
 - 3) \$50.00 from July 1 to September 30.

7. Re-Establishing Disconnected Service:

- a. Should the residential Ccustomer neglect to make payment prior to disconnection, an additional payment to restore the prepaid balance to not less than \$20.00 is necessary to re-establish service. Payment may be made through any of the means described above in paragraph (4). Service will be restored no later than the following business day. For the Ccustomer's safety and to protect property, the Ccustomer must then push the reset button at the meter to re-establish service.
- b. An account will be closed if the disconnected service has not been re-established within before the close of the then current monthly billing cycle for the service location, but not less than 10 days after disconnection. The Cooperative (i) will notify the Ccustomer the account is closed in the same manner the Ccustomer received messages and alerts of a low balance and (ii) will also mail a final bill for all unpaid charges to the Ccustomer's last known address on file with the Cooperative. In addition to satisfying paragraph 7a, the Ccustomer must pay an Establishment Fee to re-establish a closed account.

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- 1) Pay an Establishment Fee, and
 - 2) Re-establish credit with the Cooperative as set forth in Subsection 102-E of the Cooperative's rules and regulations; provided, however, utilization of the prepaid metering option for a period of twelve (12) consecutive months without disconnection of service shall have demonstrated the establishment, or re-establishment of satisfactory credit with the Cooperative and shall not be required to post a deposit for continuing service.
- c. Any prepaid balance that remains at the time of transfer to another rate schedule will be applied toward the Establishment Fee, then toward the deposit, then to any balance remaining under a payment agreement and finally, if any balance still remains, as a credit on the first billing.

Contract

If service is requested in the Cooperative's Certificated Area and the provision outlined in the Availability Clause of this rate tariff cannot be met, it will be necessary for the Cooperative

ELECTRIC RATES

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**RESIDENTIAL SERVICE
SCHEDULE PRS**

and customer to mutually agree, in a written contract, on the conditions under which service will be made available.