

FOR All Territory Served

PSC KY NO. 5

Original SHEET NO. 132

Shelby Energy Cooperative, Inc.
(NAME OF UTILITY)

CANCELLING PSC KY NO. _____

_____ SHEET NO. _____

PREPAY SERVICE – RATE 15

STANDARD RIDER:

Shelby Energy Cooperative’s Prepay Service (“Prepay”) is an optional rider to Rate 12 – Residential Service as defined by the Cooperative.

AVAILABILITY:

All Rate 12 - Residential services, excluding accounts on Levelized/Fixed Budget, Automatic Draft, Net Metering and three-phase accounts within the territory served by Shelby Energy Cooperative.

MONTHLY RATE:

Consumer Facility Charge:	\$ 10.14 (\$0.338 per day)
Energy Charge per kWh:	\$ 0.08861
Prepay Service Fee:	\$ 3.00 (\$0.10 per day)

TERMS & CONDITIONS:

Members who qualify as defined above in “Availability” may choose to voluntarily enroll their electric account(s) in the Prepay service and are subject to the following:

1. Each member electing Prepay service will be subject to all other applicable rules and regulations which apply to members using the residential tariff, without the Prepay rider.
2. Members should have internet access or the ability to receive electronic communications, including texting services to participate in the voluntary Prepay service.
3. Any member choosing to enroll in Prepay service shall sign a *Prepay Service Agreement* (“Agreement”). The Agreement shall remain in effect until the member notifies Shelby Energy, in writing, to cancel the Agreement.
4. Upon written cancellation of the Agreement, the member shall be subject to the conditions of the applicable tariff, without the Prepay rider. In accordance with Shelby Energy’s current Rules and Regulations, this may require a security deposit to be paid by the member at the time of cancellation of the Prepay service.

DATE OF ISSUE July 12, 2013
MONTH / DATE / YEAR

DATE EFFECTIVE September 1, 2013
MONTH / DATE / YEAR

ISSUED BY *Debra J. Martin*
SIGNATURE OF OFFICER

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE
COMMISSION IN CASE NO. 2013-00129 DATED: July 9, 2013

KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH <i>Brent Kirtley</i>
EFFECTIVE 9/1/2013 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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PSC KY NO. 5

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Shelby Energy Cooperative, Inc.
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PREPAY SERVICE (continued)

5. Any special equipment issued to the member for participation in Prepay service shall be returned in good working condition by the member. Refusal by the member to return the equipment shall result in replacement cost of the equipment being charged to the member.
6. The Consumer Facility Charge and Energy Charge will be the same as Shelby Energy's applicable residential tariff. The Energy Charge per kWh will be calculated and deducted from the member's account on a daily basis. The Consumer Facility Charge and Prepay Service Fee will be pro-rated and deducted from the member's account on a daily basis.
7. The Fuel Cost Adjustment and Environmental Surcharge will be charged or credited to the account daily. The Fuel Adjustment and Environmental Surcharge will be the rates in effect for the time of the daily update.
8. The Prepay account will not be subject to deposits, late fees, disconnect fees, and reconnect fees.
9. At the time Prepay service is activated for an account, the initial purchase/funding for the account is recommended to be a minimum of \$100.00. Purchases beyond the point of activation will be at an increment of the member's choosing, with a minimum purchase being \$20.00. Members may apply funds to a Prepay account by most payment methods available for post-pay service and provided on Shelby Energy's website at: www.shelbyenergy.com
10. When a member selects to participate in Prepay service and has a security deposit on file, the deposit and any accumulated interest will not be refunded. The deposit will be converted into a credit on the Prepay account going forward. No crediting of the deposit to the Prepay account shall occur if the deposit is needed to cover a pre-existing indebtedness by the member or the member has another account(s) which does not have a satisfactory credit history, the remaining credit will be transferred as a deposit to the unsecured account(s).

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Original SHEET NO. 132.2

Shelby Energy Cooperative, Inc.
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CANCELLING PSC KY NO. _____

SHEET NO. _____

PREPAY SERVICE (continued)

11. If a member who has not participated in Prepay service is disconnected for non-payment, the member may request to be reconnected and enrolled in Prepay service. If the member is unable to pay the account balance in full for the disconnected account, a payment plan will be established whereby future purchases for the Prepay account will be split 70/30 until the previous account balance is retired. Seventy percent (70%) of future purchases will be applied to funding the Prepay account and thirty percent (30%) will be applied towards retirement of the previous account balance minus any applicable deposit.
12. A prior member, who discontinued service at Shelby Energy without paying the final bill, (i.e. an uncollectible account/bad debt) will be required to pay the past-due amount prior to establishing Prepay service. If the member is unable to pay the past-due amount in full, a payment plan will be established whereby future purchases for the Prepay account will be split 50/50 until the debt is retired. Fifty percent (50%) of future purchases will be applied to funding the Prepay account and fifty percent (50%) will be applied towards retirement of the debt.
13. If a member enrolls in Prepay service, the total amount of an existing payment arrangement will transfer to the Prepay account and installments will be paid as agreed by the existing arrangement, or by a revised installment schedule as agreed by the member and Shelby, until paid in full.
14. Once an account is enrolled in Prepay service, the account will no longer be eligible for additional payment arrangements.
15. Financial assistance from community action or other agencies received for a Prepay account will be credited to the balance of the Prepay account upon receipt of a voucher or other supporting document of commitment from the agency providing assistance.
16. When a Prepay account reaches a balance of \$25.00, an automated message(s) will be processed and sent to the member and no written notice will be sent by mail.
17. If a payment on a Prepay account is returned for any reason, the account is subject to the \$25.00 service fee as provided in Shelby Energy's Rules and Regulations.

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SIGNATURE OF OFFICER

TITLE President and CEO

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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
TARIFF BRANCH
<u><i>Brent Kirtley</i></u>
EFFECTIVE 9/1/2013
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PREPAY SERVICE (continued)

- 18. Members presenting a Winter Hardship Reconnect, Certificate of Need or Medical Certificate as provided in 807 KAR 5:006, Sections 13, 14 and 15 will be removed from Prepay service and the account will return to the status of a post-pay account.
- 19. A monthly paper bill will not be mailed to a member who elects to participate in Prepay service. The member may view their Prepay account status on Shelby Energy's website. Based on the Prepay notification system, the account should not be eligible for past-due status, therefore; a delinquent notice will not be processed or mailed.
- 20. A Prepay account will be disconnected if the balance of the account becomes negative. The account will be disconnected regardless of weather or temperature as the member is responsible for ensuring that the Prepay account is adequately funded. Shelby Energy discourages participation in the Prepay program if the member cannot ensure proper funding.
- 21. If a Prepay account is disconnected due to lack of funds or any other reason, Shelby Energy shall be held harmless for any damages due to loss of energy service. In addition, if the account is disconnected and the member applies funds to the account which results in the account being reconnected, the member accepts full responsibility for the damages resulting.
- 22. Prepay accounts will be billed daily with a month-end billing being processed to finalize any applicable miscellaneous fees such as billing contracts, EnviroWatts, WinterCare, etc.
- 23. If a request is made to disconnect the service for a Prepay account, any remaining balance will be transferred to other active accounts, if applicable, or refunded in form of a check.
- 24. Should damage occur to the equipment as a result of malice or neglect by the member, the member shall be billed for the replacement cost of the equipment.
- 25. Members may check the status of a Prepay account by utilizing Shelby Energy's website or by contacting the office.

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SIGNATURE OF OFFICER

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KENTUCKY PUBLIC SERVICE COMMISSION
JEFF R. DEROUEN EXECUTIVE DIRECTOR
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<i>Brent Kirtley</i> EFFECTIVE
9/1/2013 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)