

**THE STATE CORPORATION COMMISSION  
OF THE STATE OF KANSAS**

Before Commissioners:                    Shari Feist Albrecht, Chair  
                                                 Jay Scott Emler  
                                                 Pat Apple

In the Matter of the Annual Filing of                    )  
Southern Pioneer Electric Company for                    )  
Approval to Make Certain Changes to Its                    )  
Charges for Electric Services, Pursuant to                    )                    Docket No. 15-SPEE-519-RTS  
the Debt Service Coverage Formula Based                    )  
Ratemaking Plan Approved in Docket No.                    )  
13-MKEE-452-MIS.                                                    )

**PREHEARING OFFICER'S SUSPENSION ORDER**

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and decision. On May 19, 2015, the Commission designated Jay Van Blaricum, Assistant General Counsel, to act as Prehearing Officer in this proceeding. Having reviewed the files and records, and being duly advised in the premises, the Prehearing Officer makes the following findings:

1. Southern Pioneer Electric Company (Southern Pioneer) is a non-profit, Kansas corporation, and a wholly-owned subsidiary of Pioneer Electric Cooperative, Inc. Southern Pioneer is regulated by the Commission, but Pioneer Electric Cooperative, Inc. is a member-owned electric cooperative, not subject to Commission regulation of its rates.<sup>1</sup>

2. On May 1, 2015, Southern Pioneer filed its Application to increase retail rates charged to its consumers. In Docket No. 13-MKEE-452-MIS (452 Docket), the Commission approved a five-year Debt Service Coverage Formula Based Ratemaking Pilot Program (DSC Plan).<sup>2</sup> As part of the DSC Plan, a Debt Service Coverage (DSC) ratio of 1.75 is used to

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<sup>1</sup> Application, May 1, 2015, ¶ 13.

<sup>2</sup> *Id.*, ¶ 5.

calculate a DSC formula.<sup>3</sup> If the test-year DSC differs from 1.75, the DSC will be adjusted to reach a 1.75 DSC for the budget year.<sup>4</sup> In order to achieve the agreed target of 1.75 DSC for the distribution only portion of Southern Pioneer's utility system using the processes and protocols contained in Exhibit A of the 13-452 Settlement, a rate increase of \$899,288 or 1.3% overall is requested by Southern Pioneer.<sup>5</sup>

3. The Prehearing Officer finds and concludes that suspension of Southern Pioneer's Application is required to allow sufficient time for a full investigation of this matter. Southern Pioneer's Application should therefore be suspended for a period of 120 days from the date of its filing, or August 27, 2015 pursuant to K.S.A. 66-117(c).

**WHEREFORE, THE PREHEARING OFFICER FINDS AND CONCLUDES:**

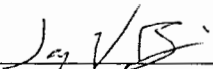
A. Southern Pioneer's Application is suspended for 120 days, until August 27, 2015, as set forth above.

B. This order shall be served by electronic delivery. Parties have 15 days from the date of electronic service of this Order in which to petition the Commission for reconsideration.<sup>6</sup>

C. The Commission retains jurisdiction over the subject matter and parties for the purpose of entering such further orders as it deems necessary.

Dated: 5-27-15

JV

  
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Jay P. Van Blaricum  
Prehearing Officer

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<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> *Id.*, ¶ 8.

<sup>6</sup> K.S.A. 66-118b; K.S.A. 2014 Supp. 77-529(a)(1).

## CERTIFICATE OF SERVICE

15-SPEE-519-RTS

I, the undersigned, hereby certify that a true and correct copy of the above and foregoing Prehearing Officer's Suspension Order was served by electronic service on this 27th day of May, 2015, to the following parties who have waived receipt of follow-up hard copies.

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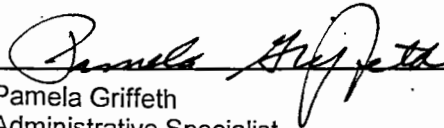
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