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State Corporation Commission
of Kansas

Southern Pioneer Electric Company
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October 30, 2018

Jeff McClanahan
Director of Utilities
Kansas Corporation Commission
1500 SW Arrowhead Rd.
Topeka, KS 66604-4027

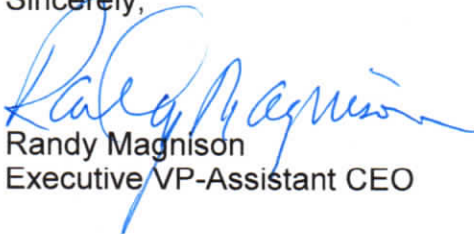
RE: Docket 15-GIMX-344-GIV

Dear Mr. McClanahan:

Pursuant to the order issued by the State Corporation Commission of the State of Kansas in Docket 15-GIMX-344-GIV ("15-344 Docket"), please find attached Southern Pioneer Electric Company's second Bi-Annual Report for the three-year Pilot Program waiving certain Billing Standards as approved by the Commission in the 15-344 Docket.

Please do not hesitate to contact me should you have questions.

Sincerely,



Randy Magnison
Executive VP-Assistant CEO

DOCKET 15-GIMX-344-GIV
SOUTHERN PIONEER ELECTRIC COMPANY
BI-ANNUAL REPORT FOR 04/01/2018 – 09/30/2018

Pursuant to the order issued by the State Corporation Commission of the State of Kansas ("Commission") in Docket 15-GIMX-344-GIV ("15-344 Docket"), Southern Pioneer Electric Company ("Southern Pioneer") files its second Bi-Annual Report ("Report") for the three-year Pilot Program waiving certain Billing Standards as approved by the Commission in the 15-344 Docket.

The Pilot Program is applicable only to those electric customers with Advanced Metering Infrastructure (AMI) meters installed, also known as digital meters, which allow the utility company the capability to connect and disconnect service remotely without physically dispatching service personnel to the customer's location. Out of its 17,000 plus retail meters billed monthly over 8-billing cycles, Southern Pioneer has four (4) analog meters not yet converted to AMI and therefore these meters are not part of the Pilot Program NOR where these customers' delinquent during this reporting period, April 1, 2018 through September 30, 2018.

As part of this bi-annual reporting procedure, Southern Pioneer is required to collect and report the following information listed in "Attachment A" of the Order by month, and as summarized herein:

1. Number of bills sent out by month
2. Number of 10-day Disconnect Notices by month
3. Number of Non-Pay Shut-off Orders issued by month
4. Number of communication attempts at the 5-7 day mark by month
5. Number of accounts making payments after the 5-7 day communication attempt and before the 2-day communication attempt AND method of payment by month.
6. Number of communication attempts at the 2-day mark by month
7. Number of accounts making payments after the 2-day communication attempt and before the 1-day communication attempt AND method of payment by month.
8. Number of phone call attempts at the 1-day mark prior to disconnection by month
9. Number of door tags performed by month during the CWR
10. Number of accounts making payments after the 1-day communication attempt and before disconnection AND method of payment by month.
11. Number of disconnections by month
12. Number of accounts paid for reconnection AND method of payment by month
13. Distribution of the time between disconnection, payment and reconnection (Within a day, one day, two days...).
14. The manner in which the utility informed customers of any available bill assistance programs during the reporting period.
15. Customer complaints with respect to this pilot program
16. Cost savings attributable to this pilot program.

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1. Number of bills sent out by month.

		Bills Mailed
Non-CWR Period	April-2018	17,587
	May-2018	17,532
	June-2018	17,590
	July-2018	17,640
	August-2018	17,784
	September-2018	<u>17,802</u>
	6-Month Total	105,935
	6-Month Average	17,656

The total bills each month include the four (4) customers with analog meters.

2. Number of 10-Day Disconnect Notices by month.

		10-Day Delinquent Notices Mailed
Non-CWR Period	April-2018	3,233
	May-2018	3,104
	June-2018	3,105
	July-2018	3,743
	August-2018	3,650
	September-2018	<u>2,365</u>
	6-Month Total	19,200
	6-Month Average	3,200

This schedule reflects the number of customers that did not pay their balance due by 5:00 PM of the due date as listed on the billing statement.

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3. Number of Non-Pay Shut-off Orders issued by month.

		Disconnect Orders Issued
Non-CWR Period	April-2018	411
	May-2018	364
	June-2018	339
	July-2018	358
	August-2018	368
	September-2018	384
	6-Month Total	2,224
	6-Month Average	371

This table reflects the number of shut-off orders or disconnects automatically generated by the billing system after the final 1-day telephone contact attempt.

4. Number of communication attempts at the 5-7 day mark by month.

		5-Day Phone Calls
Non-CWR Period	April-2018	1,722
	May-2018	1,469
	June-2018	1,604
	July-2018	1,441
	August-2018	1,722
	September-2018	1,896
	6-Month Total	9,854
	6-Month Average	1,642

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5. Number of accounts making payments after the 5-7 day communication attempt and before the 2-day communication attempt AND method of payment by month.

		Post 5-Day Call Payment Method				
		Cash Payments	Check Payments	Credit Card Payments	e-Check Payments	Money Gram Payments
Non-CWR Period	April-2018	127	96	125	59	3
	May-2018	95	108	119	52	6
	June-2018	127	90	109	37	7
	July-2018	105	86	111	26	-
	August-2018	153	144	117	62	5
	September-2018	162	133	141	40	7
	6-Month Total	769	657	722	276	28
	6-Month Average	128	110	120	46	5

Payments include both full and partial or multiple payments by a customer and therefore may be counted multiple times even though paid by one customer, etc.

6. Number of communication attempts at the 2-day mark by month.

		2-Day Phone Calls
Non-CWR Period	April-2018	933
	May-2018	806
	June-2018	853
	July-2018	913
	August-2018	1,041
	September-2018	1,091
	6-Month Total	5,637
	6-Month Average	940

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7. Number of accounts making payments after the 2-day communication attempt and before the 1-day communication attempt AND method of payment by month.

		Post 2-Day Call Payment Method				
		Cash Payments	Check Payments	Credit Card Payments	e-Check Payments	Money Gram Payments
Non-CWR Period	April-2018	83	69	74	25	1
	May-2018	76	59	50	13	2
	June-2018	74	40	57	27	4
	July-2018	69	35	63	23	6
	August-2018	94	58	79	25	2
	September-2018	99	65	98	39	5
	6-Month Total	495	326	421	152	20
	6-Month Average	83	54	70	25	3

Payments include both full and partial or multiple payments by a customer and therefore may be counted multiple times even though paid by one customer, etc.

8. Number of phone call attempts at the 1-day mark prior to disconnection by month.

		1-Day Phone Calls
Non-CWR Period	April-2018	658
	May-2018	576
	June-2018	611
	July-2018	597
	August-2018	725
	September-2018	718
	6-Month Total	3,885
	6-Month Average	648

Payments include both full and partial or multiple payments by a customer and therefore may be counted multiple times even though paid by one customer, etc.

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9. Number of door tags performed by month during the CWR.

		Disconnect Orders Issued
Non-CWR Period	April-2018	411
	May-2018	364
	June-2018	339
	July-2018	358
	August-2018	368
	September-2018	384
	6-Month Total	2,224
	6-Month Average	371

10. Number of accounts making payments after the 1 day communication attempt and before disconnection AND method of payment by month.

		Post 1-Day Call Payment Method				
		Cash Payments	Check Payments	Credit Card Payments	e-Check Payments	Money Gram Payments
Non-CWR Period	April-2018	122	78	92	41	1
	May-2018	111	63	88	43	5
	June-2018	141	85	77	37	3
	July-2018	137	83	104	29	4
	August-2018	146	106	105	41	3
	September-2018	165	100	130	47	4
	6-Month Total	822	515	596	238	20
	6-Month Average	137	86	99	40	3

Payments include both full and partial or multiple payments by a customer and therefore may be counted multiple times even though paid by one customer, etc.

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11. Number of disconnections by month.

		Accounts Disconnected
Non-CWR Period	April-2018	393
	May-2018	330
	June-2018	308
	July-2018	334
	August-2018	296
	September-2018	349
	6-Month Total	2,010
	6-Month Average	335

This table reflects the number of actual disconnections for non-payment after the necessary notifications and hanging of door tags.

12. Number of accounts paid for reconnection AND method of payment by month.

			Reconnected Payment Method				
		Accounts Reconnects	Cash Payments	Check Payments	Credit Card Payments	e-Check Payments	Money Gram Payments
Non-CWR Period	April-2018	337	134	62	128	46	-
	May-2018	260	17	8	18	5	-
	June-2018	288	12	6	3	1	-
	July-2018	303	3	2	-	2	-
	August-2018	249	3	4	6	2	-
	September-2018	253	26	15	30	12	-
	6-Month Total	1,690	195	97	185	68	-
	6-Month Average	282	33	16	31	11	-

The total of Accounts Reconnected (493) and payment method cited above does not include electric accounts in which a Cold Weather Rule Agreement or other repayment agreement may have been executed AND no money was paid in order to restore service.

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**13. Distribution of the time between disconnection, payment and reconnection
(Within a day, one day, two days...).**

Electric Accounts Reconnecting Between April 1, 2018 - September 30, 2018									
Count of TIME OFF	Column Labels								
Row Labels	< 1 HR	1-3 HRS	3-8 HRS	8-24 HRS	24-48 HRS	48-72 HRS	> 72 HRS	Grand Total	Area
BARBER COUNTY	36	34	43	5	17	4	37	176	
HARDTNER	1	3	4				5	13	Rural
HAZELTON			2		1		3	6	Rural
MEDICINE LODGE	26	24	26	4	14	4	24	122	Urban
RURAL	3	4	7		1		3	18	Rural
SHARON	6	2	4	1	1		2	16	Rural
SUN CITY		1						1	Rural
CLARK COUNTY	22	12	17	8	5	2	16	82	
ENGLEWOOD	1	1					1	3	Rural
MINNEOLA	20	11	17	8	5	2	15	78	Rural
RURAL	1							1	Rural
COMANCHE COUNTY	24	10	18	5	1	3	16	77	
COLDWATER	24	8	17	5	1	3	14	72	Urban
RURAL		1	1					2	Rural
WILMORE		1					2	3	Rural
HASKELL COUNTY	45	49	54	13	17	6	30	214	
RURAL	1	2	1	2	1			7	Rural
SATANTA	20	30	29	6	8	2	13	108	Rural
SUBLETTE	24	17	24	5	8	4	17	99	Urban
KINGMAN COUNTY	9	7	11	9	2	1	8	47	
CUNNINGHAM	5	4	7	4	1		3	24	Urban
NASHVILLE		1	2	3		1		7	Rural
PENALOSA	1	1	1				1	4	Rural
RURAL	3	1	1	2	1		4	12	Rural
KIOWA COUNTY	7	5	11	2	4		4	33	
HAVILAND	7	4	6	2	4		4	27	Urban
RURAL		1	5					6	Rural
MEADE COUNTY	36	21	36	14	9	3	21	140	
FOWLER	21	9	7	2	2		6	47	Rural
PLAINS	15	12	29	12	7	3	15	93	Urban
PRATT COUNTY	9	4	6	1	5	2	3	30	
BYERS	1							1	Rural
COATS			2					2	Rural
CULLISON	4				2			6	Rural
RURAL	1	2	2		1	2	3	11	Rural
SAWYER	3	2	2	1	2			10	Rural
SEWARD COUNTY	214	239	368	53	89	29	217	1209	
KISMET	4	6	8	3	1		4	26	Rural
LIBERAL	209	231	357	50	86	28	209	1170	Urban
RURAL	1	2	3		2	1	4	13	Rural
Grand Total	402	381	564	110	149	50	352	2008	
Time Between Disconnection, Payment and Reconnection									
Time:	<1 HRS	1-3 HRS	3-8 HRS	8-24 HRS	24-48 HRS	48-72 HRS	>72HRS	TTL	
# of Accounts:	402	381	564	110	149	50	352	2,008	
% of Accounts:	20.02%	18.97%	28.09%	5.48%	7.42%	2.49%	17.53%	100.00%	

The Grand Total of Reconnected Accounts (2008) includes all electric accounts in which service was reconnected WITHOUT regard to payment method, if any. Also, the total Reconnected Accounts during the reporting period may differ from the total Disconnected Accounts if consumers were disconnected in an earlier

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period (i.e. October 1, 2017 – March 31, 2018) and then reconnected service during the reporting period, etc.

14. The manner in which the utility informed customers of any available bill assistance programs during the reporting period.

The majority of these inquiries or requests are handled in person when an individual comes into the office or over the telephone. Informational list of entities is then provided to customers seeking financial assistance with utility bills or during times of need and that may assist low income consumers. Thereafter, if one of the entities pledge an amount of support to a customer, an agreement can be set up in the Customer Information ("CIS") Billing System to reflect the pledge.

15. Customer complaints with respect to this pilot program.

During this reporting period, Southern Pioneer did not receive any customer complaints specific to implementing and administering the 3-Year Pilot Program waiving the on premise collection requirement, etc.

16. Cost savings attributable to this pilot program.

By not having to collect on premise during the period of April 1, 2018 through September 30, 2018, Southern Pioneer conservatively estimates that it has a total positive economic benefit equivalent to \$46,531 by redirecting labor/overhead resources for Line personnel (\$27,656) and reducing fleet costs (\$18,875) to other purposes.

This is not necessarily a reduction in labor/overhead cost, except for fleet, but rather the implementation of the AMI Meter Infrastructure and Pilot Program allows Southern Pioneer to redirect these resources (Line Personnel) which can be better used for other customer services/programs or maintenance functions, etc.

This conservative estimate (see table below) was arrived at by 1) using Southern Pioneer's average combined Lineman wage/overhead rate of \$60.34 per hour, a fleet cost per mile of \$1.88; and 2) by analyzing the 2,008 electric accounts disconnected/reconnected in relation to whether the account was located in an urban or extreme rural area of Southern Pioneer's 9-county service area; whether an Outpost Line Person was stationed in the near vicinity of the disconnects; and the roundtrip mileage from Southern Pioneer's either one of two Customer Service-Distribution Offices in Liberal or Medicine Lodge, Kansas.

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Southern Pioneer Electric Company					
Estimated Redirected Labor/Overhead & Fleet Costs					
April 1, 2018 - September 30, 2018					
Count of TIME OFF					
Row Labels		TTL Lineman			
	Grand Total	Area	Cost	TTL Fleet Cost	
BARBER COUNTY	176				
HARDTNER	13	Rural	\$ 392.21	\$ 122.20	
HAZELTON	6	Rural	\$ 181.02	\$ 56.40	
MEDICINE LODGE	122	Urban	\$ 1,226.91	\$ 1,146.80	
RURAL	18	Rural	\$ 543.06	\$ 169.20	
SHARON	16	Rural	\$ 482.72	\$ 150.40	
SUN CITY	1	Rural	\$ 30.17	\$ 9.40	
CLARK COUNTY	82				
ENGLEWOOD	3	Rural	\$ 90.51	\$ 28.20	
MINNEOLA	78	Rural	\$ 2,353.26	\$ 733.20	
RURAL	1	Rural	\$ 30.17	\$ 9.40	
COMANCHE COUNTY	77				
COLDWATER	72	Urban	\$ 724.08	\$ 676.80	
RURAL	2	Rural	\$ 60.34	\$ 18.80	
WILMORE	3	Rural	\$ 90.51	\$ 28.20	
HASKELL COUNTY	214				
RURAL	7	Rural	\$ 211.19	\$ 65.80	
SATANTA	108	Rural	\$ 2,172.24	\$ 1,015.20	
SUBLETTE	99	Urban	\$ 995.61	\$ 930.60	
KINGMAN COUNTY	47				
CUNNINGHAM	24	Urban	\$ 724.08	\$ 225.60	
NASHVILLE	7	Rural	\$ 211.19	\$ 65.80	
PENALOSA	4	Rural	\$ 120.68	\$ 37.60	
RURAL	12	Rural	\$ 362.04	\$ 112.80	
KIOWA COUNTY	33				
HAVILAND	27	Urban	\$ 271.53	\$ 253.80	
RURAL	6	Rural	\$ 181.02	\$ 56.40	
MEADE COUNTY	140				
FOWLER	47	Rural	\$ 1,417.99	\$ 441.80	
PLAINS	93	Urban	\$ 935.27	\$ 874.20	
PRATT COUNTY	30				
BYERS	1	Rural	\$ 30.17	\$ 9.40	
COATS	2	Rural	\$ 60.34	\$ 18.80	
CULLISON	6	Rural	\$ 181.02	\$ 56.40	
RURAL	11	Rural	\$ 331.87	\$ 103.40	
SAWYER	10	Rural	\$ 301.70	\$ 94.00	
SEWARD COUNTY	1209				
KISMET	26	Rural	\$ 784.42	\$ 244.40	
LIBERAL	1170	Urban	\$ 11,766.30	\$ 10,998.00	
RURAL	13	Rural	\$ 392.21	\$ 122.20	
Grand Total	2008		\$ 27,655.83	\$ 18,875.20	\$46,531.03