



Legislation Details (With Text)

File #: 2020-023 **Version:** 1 **Name:**
Type: Action Item/Other Items **Status:** Agenda Ready
File created: 12/11/2019 **In control:** Board of Directors
On agenda: 1/17/2020 **Final action:**
Title: Draft Resolution - Approval of Tariff and Business Rules - Restructure and Business Practices
Amendments - N Mack | D Thompson

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2020-01-17 - Current PEC Tariff-and-Business-Rules, 2. 2020-01-17 Draft Tariff and Business Rules - N Mack and D Thompson v2, 3. 2020-01-17 Tariff Amendments and Restructure Presentation - N Mack and D Thompson v2, 4. 2020-01-17 Tariff Restructure Mapping Document - N Mack and D Thompson v2

Date	Ver.	Action By	Action	Result
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Draft Resolution - Approval of Tariff and Business Rules - Restructure and Business Practices Amendments - N Mack | D Thompson

Submitted By: Robyn Miller on behalf of David Thompson

Department: Markets

Financial Impact and Cost/Benefit Considerations:

Expenditure of Cooperative funds is not anticipated to be impacted; expenditures of staff time not anticipated to be impacted.

The Cooperative officially adopted the Tariff in 2009 and then consolidated the Tariff with the Business Rules in December 2016 (the "Tariff"). Numerous modifications and amendments have been adopted to various sections of the Tariff over the years. Additionally, certain business processes and practices have been updated. As a result, the following changes to the Tariff, among others, are proposed. These changes include both substantive and non-substantive changes. The Tariff is now organized into the following components:

Section 100: Definitions
Section 200: Description of the Cooperative's Service Area
Section 300: General Service Rules and Regulations
Section 400: Line Extension Policy
Section 500: Rates
Section 600: Interconnection Policy
Section 700: Appendices

Substantive changes:

- Section 100: Definitions
 - Added new definitions section consolidating definitions that are currently in different sections throughout the Tariff.
 - Added new definitions to provide additional clarity to the Tariff.
 - Removed definitions no longer used in the Tariff.

- Section 200: Description of the Cooperative's Service Area
 - New Section showing the counties and cities within the Cooperative's Service Area.
- Section 300: General Service Rules and Regulations
 - Added new section to formalize current practices
 - Critical Load Program
 - Payment Deadline Extension
 - Loan Late Fees
 - Removed service disconnection language applicable to Mastered Metered Utilities to align with current and expected practice of not needing this option.
 - Removed section for deposits for temporary or seasonal service and for weekend residences to align with current and expected practices that all applicants are treated as all other members and utilize the same deposit sections as all other applicants and/or members.
 - Added language to reflect that the Tariff is available on our website and in district offices.
 - Added language to reflect that the Cooperative may waive the deposit if the Member enrolls in the Pre-paid Payment Plan or Bank Draft Payment Plan.
 - Renamed section Deferred Payment Plan to Installment Payment Plan and clarified language to reflect current practices.
- Section 400: Line Extension Policy
 - No substantive changes to this section.
- Section 500: Rates
 - Added new sections to add clarity and formalize current practices.
 - Sales Tax
 - Power of Change
 - Capital Credits
 - Added new description of all member charges, credits and adjustments to add clarity.
 - Added new descriptions to all rate schedules and rate programs to add clarity.
 - Removed sections for Wholesale Transmission Policy and Wholesale Distribution service to align with current and expected practice of not utilizing these rates.
 - Updated Fee Schedule to provide additional clarity.
- Section 600: Interconnection Policy
 - No substantive changes to this section.
- Section 700: Appendices
 - New Section containing certain Cooperative forms and agreements.

Non-substantive changes made across the Tariff:

- Formatting style change to ensure consistency including table of contents, headers, cross references, numbering, bulleting, and fonts

- Passive tense sentences reworded for clarity of responsibility
- New sections and sub-sections reorganized and added to provide clarity and flow
- Language consolidation to remove repetitive statements
- All fee amounts taken out of text and placed in Fee Schedule
- All referenced sections in the Tariff and Table of Contents are now linked cross-references
- Removed expired language and blank sections
- Effective dates removed for past changes

The Cooperative asks the Board to consider these changes which aim to present a more organized structure and similar to the electric industry in Texas while mirroring the Member's interaction with the Cooperative.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COOPERATIVE that the Cooperative approves the restructure and the amendments to the Tariff and Business Rules as attached and presented this day, with such changes, if any, as were approved by the Board, to become February 22, 2020, unless otherwise specified in the Tariff and Business Rules; and

BE IT FURTHER RESOLVED that the Chief Executive Officer, or designee, is authorized to take all such actions as needed to implement this resolution.