

PUBLIC HEARING AND COMMENT PERIOD

Southern Pioneer Electric Company's Application for Changes in its Rate Design and Tariff Changes

Southern Pioneer Electric Company ("Southern Pioneer") filed an Application with the Kansas Corporation Commission ("Commission" or "KCC") on November 30, 2023, Docket No. 24-SPEE-415-TAR.

Public Hearing

The Commission has scheduled a public hearing concerning Southern Pioneer's application, which seeks KCC approval of its proposed changes in its rate design and tariff changes. This hearing will provide information about Southern Pioneer's application and an opportunity for customers to ask questions and to present testimony or comments for the Commission's consideration.

The public hearing typically consists of two parts: During the first part, representatives of Southern Pioneer, KCC Staff and CURB will give short presentations about their roles in this docket. Each party will summarize the issues involved and will be available to answer customers' questions pertaining to the application. In the second part of the public hearing, customers may make formal statements to the Commission concerning the application. However, the Commission may determine how to best accommodate the public participation in this important rate proceeding.

The date and time of the public hearing is:

Tuesday, March 19, 2024, beginning at 6:00 p.m. (CDT)

The Commission will hold a public hearing online via zoom.

Kansans wishing to make a public comment during the hearing should sign up in advance at <https://kcc.ks.gov/your-opinion-matters> to receive login information and time restraints for presentations.

As there may be limited capacity, registration will be first come, first serve. A live video stream will also be available on the Commission's YouTube channel:

<https://www.youtube.com/channel/UC-uTcucl0oyHJr-iOheuuw> for individuals to watch, but not comment, during the public hearing.

Comment Period

In addition, the Commission is accepting written comments from the public until 5:00 p.m. (CDT), May 15, 2024. Comments regarding this case should reference Docket No. 24-SPEE-415-TAR. The public can mail their comments to the Kansas Corporation Commission Office of Public Affairs and Consumer Protection, 1500 SW Arrowhead Road, Topeka, Kansas 66604-4027. The public can also submit comments through the Commission's website <https://kcc.ks.gov/your-opinion-matters> or via electronic mail (sent to public.affairs@kcc.ks.gov).

A complete copy of the Commission’s Order Adopting Procedural Schedule establishing this hearing and Southern Pioneer’s application with supporting testimony is available on the Commission’s website:

<https://estar.kcc.ks.gov/estar/portal/kscg/page/docket-docs/PSC/DocketDetails.aspx?DocketId=575775cf-2481-410a-9f57-9ac9691dd43e>

The KCC has until July 30, 2024, to make a decision on the proposed rate design and tariff changes in this proceeding.

Southern Pioneer’s Application

On November 30, 2023, Southern Pioneer Electric Company (“Southern Pioneer”) filed an Application to make certain revenue neutral changes to its rate design. While “revenue neutral” changes may positively or negatively affect individual customers’ monthly bills, they are designed to have a net neutral overall impact on total revenue for the utility.

Southern Pioneer is based out of Ulysses and serves approx. 17,000 customers in southcentral and southwest Kansas. Southern Pioneer is unique in that it is a not-for-profit corporate utility which is regulated by the KCC, yet it is owned by Pioneer Electric Cooperative (“Pioneer”) which is a Kansas member-owned electric cooperative that is not subject to Commission rate regulation.

Though not an exhaustive list, Southern Pioneer’s proposal includes the following changes:

- Change the approach of classifying service between Residential and General Service Small to classifying based upon single-phase and three-phase power supply. (Single-phase and three-phase power are technical, electrical engineering concepts. Residential homes are usually served by a single-phase power supply, while commercial and industrial facilities usually use a three-phase supply.)
- Increase the Customer Charge for Single-Phase Service to \$16.67 per consumer per month, from \$14.67.
- Include a Demand Charge of \$3.00 per kW for Single-Phase Service, with a corresponding reduction to Energy Charge. The kW demand will derive from the customer’s average kW load during the 15 minute period of maximum use during the month.

Southern Pioneer contends the change to phase classifications will remove some of the challenges it faces to equitably determine residential vs. non-residential service, since both residences and businesses can be co-located at the same premise. The vast majority of current residential customers would be converted to Single-Phase Service — less than 1% of residential customers would be moved to Three-Phase Service. However, nearly 24% of General Service Small customers would be moved to Single-Phase Service. The proposed change is also consistent with how Southern Pioneer’s parent company, Pioneer, classifies its member-consumers.

Southern Pioneer has requested an increase to its customer charge of \$2 a month. The company states this increase will help offset the costs of providing service to its customers.

Southern Pioneer's demand charge is mandatory. If approved, all residential (Single-Phase Service) customers will become subject to a demand charge. The amount requested is a demand charge of \$3 per kW. Under Southern Pioneer's proposal, the demand charge is based on each customer's peak demand average from a 15 minute interval during the entire month.

Evidentiary Hearing

The Commission has scheduled an evidentiary hearing on the application for Tuesday, June 4, 2024, through Wednesday, June 5, 2024, beginning at 10:00 a.m. Central via Zoom.

Additional Information is available from the KCC and CURB

For more information about Southern Pioneer's application or the public hearing, contact the Kansas Corporation Commission Office of Public Affairs and Consumer Protection at 1-800-662-0027. Any persons requiring special accommodations at the hearing site under the Americans with Disabilities Act must give notice to the Commission at least 10 days prior to the scheduled hearing date by calling 1-800-662-0027.

The Citizens' Utility Ratepayer Board (CURB) can also be contacted at 785-271-3200 for further information.