

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF COLUMBIA GAS OF)
KENTUCKY, INC., FOR PERMISSION TO)
DEVIATE FROM THE REQUIREMENTS OF) CASE NO. 9491
807 KAR 5:022, SECTION 8(5)(A))
1 AND 3 OF THE COMMISSION'S RULES)

O R D E R

On January 7, 1986, Columbia Gas of Kentucky, Inc., ("Columbia") filed an application with the Commission requesting a deviation from 807 KAR 5:022, Section 8(5)(a) 1 and 3, of the Commission's regulations. Specifically, Columbia requests approval to change its positive-displacement meters, up to 500 cubic feet per hour, on a one-fourteenth annual ratio, and to test one-half of its positive-displacement meters, above 1500 cubic feet per hour, on an annual basis. The present regulations require that positive-displacement meters up to and including 500 cubic feet per hour shall be tested at least once every 10 years, and all positive-displacement meters above 1500 cubic feet per hour shall be tested at least once every year.

The Commission is of the opinion that the principal issues in this request by Columbia are twofold. First, the Commission is interested to know what the anticipated cost savings, if any, will be as a result of less frequent testing of the meters referred to herein. Second, the issue of safety to Columbia's

customers related to the present 10-year cycle for domestic meter change-out has not been addressed in the Columbia application.

In order to adequately review Columbia's request for a deviation and the related issues, the Commission is of the opinion and hereby finds that additional information is required from Columbia to respond to its request for a deviation.

IT IS THEREFORE ORDERED that Columbia shall file the following information with the Commission within 15 days of the date of this Order. Include with each response the name of the person who will be responsible for responding to questions related to the information involved.

1. In its application Columbia states that a deviation is warranted based upon in-test performance data of various types of domestic meters in other jurisdictions. However, based upon information in Exhibit V of the application, approximately 22 percent of Columbia's domestic meter population is not represented by the performance data provided in Exhibits I-IV of the application. What impact does this have on Columbia's conclusion that the types of domestic meters used in Kentucky can perform within acceptable accuracy levels beyond 10 years?

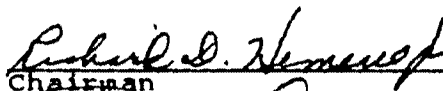
2. What would be the overall cost savings to Columbia annually if the deviation is granted? What types of expenses would be decreased?

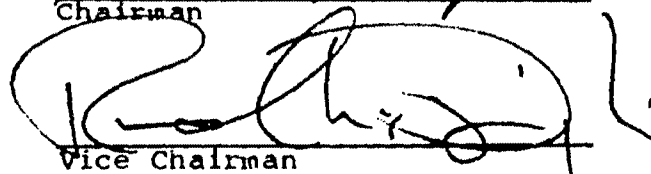
3. To the extent that cost savings are realized, in what ways will Columbia's customers benefit? Will future rates be affected?

4. Most domestic customers do not have a service person inside their premises except during the meter change-out. During this time the service person usually tests the house piping, condition of appliances, any fraudulent use of service, etc. This meter change-out is now conducted on a 10-year cycle. Would the safety of domestic customers be compromised if the meter change-out period is extended beyond 10 years?

Done at Frankfort, Kentucky, this 4th day of February, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary