

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE REQUEST OF MR. S. LEE SIMS FOR)
PERMISSION TO DEVIATE FROM THE) CASE NO. 10137
PROVISION OF TITLE 807 KAR 5:046)

O R D E R

On December 28, 1987, the Commission received a letter from Mr. S. Lee Sims requesting a deviation from the requirements of 807 KAR 5:046, Prohibition of Master Metering, for his property at 255 Lyndhurst, Lexington, Kentucky. A copy of Mr. Sims' letter is attached hereto as Appendix A.

Mr. Sims contends that master metering is more economic than the installation of individual meters. He further contends that he pays for all electricity provided to the property.

Kentucky Utilities Company ("KU") provides electric service to the property in question.

The Commission, on its motion, HEREBY ORDERS that this request be placed on the Commission's case docket.

IT IS FURTHER ORDERED that KU shall file its comments, if any, concerning this request within 15 days of the date of this Order.

Done at Frankfort, Kentucky, this 21st day of January, 1988.

PUBLIC SERVICE COMMISSION

Carl D. Wrenn, Jr.
Chairman

Robert M. Lewis
Vice Chairman

James N. Williams
Commissioner

ATTEST:

Executive Director

CASE NO. 10137

APPENDIX "A"

1/21/88

J & S PROPERTIES
P.O. BOX 3002
FRANKFORT, KENTUCKY 40603

pc
RECEIVED

December 12, 1987

DEC 28 1987

DIVISION OF UTILITY
ENGINEERING & SERVICES

Jack Fisher
Division of Engineering
Public Service Commission
P.O. Box 615, 730 Shenkel Lane
Frankfort, Kentucky 40602

Re: Replacement of Existing Meters at
255 Lyndhurst, Lexington, Kentucky

Dear Mr. Fisher:

In reference to a conversation on November 25, 1987 with Nelson Duncan, I want to request KRS deviation of 807KAR Section 5-046 - KU is in agreement with my plan if the PSC will grant deviation as requested. Refer to KU conversation with Jimmy Orr on November 20, 1987 (606/255-1461).

I have owned for six years, a fifty-year-old apartment building and am partially remodeling said apartment units, halls and grounds. This remodeling is limited to painting, fix-up, new doors and hardware, new smoke alarms in units, new roof, attic insulation, etc. Note that we are not rewiring any units.

I have interior electric meters off basement hallway that are tied into old original fuse boxes.

Please note the following:

1. I want to update and move service^{to an} accessible exterior wall.
2. I want to master meter and go to one main meter.
3. I pay all utilities for tenants. All units are different, therefore, we do not use a prorated utility system, and never will.
4. Building is heated by gas (off master meter). Also have^{gas} hot water and gas oven/range cooking.

5. Building electric service provides for interior and exterior lighting, convenience outlets, window fans for summer cooling (no air-conditioning units)
6. Existing water service is off of one meter.
7. Separate unit metering does not exist. Previous owners have cut up eight previous large apartment suites into efficiencies and small one bedroom units. Therefore, the eight existing electric meters and one house meter serve a mixed arrangement of 18 small units. Over the years, electric circuits or cross-wiring has occurred, and after inspection by local reputable commercial electrical contractor, it was determined next to impossible to trace and separate by unit (we cannot afford total rewiring).
8. Construction capital expense for related electrical work as quoted by Parsons Electric Co., Lexington, KY:

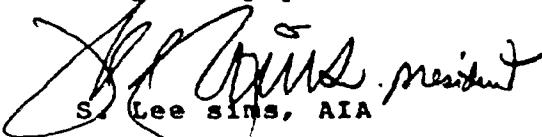
| | |
|------------------------------|----------------|
| - Move service for one meter | - \$1,200 |
| - Move nine meters | - \$5,400 |
| Net Difference | <u>\$4,200</u> |
9. Current electrical useage/rates - Refer to KU summary letter from Don Stone, December 1987.

| |
|--|
| - Existing rate, RS-1 Rates - nine meters' useage, 26 month average for one month is \$187.42 for 3,140 KWH (total bldg) |
| - New Rate - GS Rate - One master meter - \$191.73/month, est. |
| - Net Difference is \$4.31 per month |

In summary, for the increased expense for said rate increase to equal the capital expense outlay (before taxes), would take 81.20 years, therefore, we request this waiver based on economic feasibility.

Please review and call with any further information requests.

Very truly yours,

 resident
S. Lee Sims, AIA

SLS/cj

cc: Nelson Duncan
Allen Jackson

KENTUCKY UTILITIES COMPANY

ONE QUALITY STREET
LEXINGTON, KENTUCKY
40507

TELEPHONE 608-255-1461

Studio Plus
Attn: Lee Sims
570 E. Main St.
Lexington, Ky. 40508

December 22, 1987

Dear Mr. Sims,

Below are my calculations on your consideration of master metering nine accounts at 255 Lyndhurst Pl.:

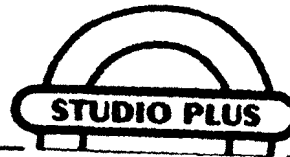
All calculations are based upon 26 months usage history.
Bimonth means account billed once every two months.

| Meter# | Ave. Bimonthly Usage (KWH) | RS Rate Average cost per Bimonth |
|---------|-------------------------------|-------------------------------------|
| Apt. #1 | L068471 430 | \$28.64 |
| Apt. #2 | L080781 309 | 22.38 |
| Apt. #3 | L076781 381 | 26.10 |
| Apt. #4 | L172499 819 | 48.66 |
| Apt. #5 | L089050 546 | 34.63 |
| Apt. #6 | L146967 285 | 21.14 |
| Apt. #7 | L138514 626 | 38.76 |
| Apt. #8 | L144335 303 | 22.07 |
| House | L080950 2,581 | 132.46 |
| | 6,280 | \$374.84 per bimonth (2 mo-period) |

GS rate applied to 6,280 KWHs = \$383.46

\$383.46 - \$374.84 = \$8.62 more per bimonth (2 mo.)

If all nine meters were combined to one meter, there would be an \$8.62 increase in cost per bimonth rather than a savings.



BEST PHONE
NO.

S. LEE SIMS
CORPORATE CONSTRUCTION MANAGER
CORPORATE OFFICES SUITE 100
570 E. MAIN ST. LEXINGTON, KENTUCKY 40508
(606) 258-3019



S. Lee Sims, AIA



S. LEE SIMS, ARCHITECT & ASSOCIATES
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