

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN APPLICATION BY THE UNION LIGHT, HEAT AND )	
POWER COMPANY FOR PERMISSION TO DEVIATE FROM )	CASE NO.
RULE 807 KAR 5:022, PERIODIC TESTS, SECTION )	94-436
8, PARAGRAPH 5 )	

O R D E R

The Union Light, Heat and Power Company ("ULH&P") has requested a deviation from 807 KAR 5:022, Section 8(5)(a)1,2, and 3, of the Commission's regulations to test meters on a less frequent periodic schedule. ULH&P proposes to test positive-displacement gas meters with a rated capacity up to 500 cubic feet per hour once every 14 years;<sup>1</sup> meters above 500 cubic feet per hour and up to 1,500 cubic feet per hour once every 10 years;<sup>2</sup> and meters above 1,500 cubic feet per hour once every 2 years.<sup>3</sup>

There are currently 70,912 gas meters in ULH&P's service area, of which 38,967 or approximately 55 percent are located inside customers' premises. ULH&P estimates annual savings of \$59,203 if the proposed deviation is approved: \$35,959 from less frequent testing

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<sup>1</sup> 807 KAR 5:022, Section 8(5)(a)1, states "Positive-displacement meters, with rated capacity up to and including 500 cubic feet per hour, shall be tested at least once every ten (10) years."

<sup>2</sup> 807 KAR 5:022 Section 8(5)(a)2, states "Positive-displacement meters, with rated capacity above 500 cubic feet per hour, up to and including 1,500 cubic feet per hour, shall be tested at least once every five (5) years."

<sup>3</sup> 807 KAR 5:022 Section 8(5)(a)3, states "Positive-displacement meters above 1,500 cubic feet per hour shall be tested at least once every year."

of 69,000 residential meters; \$3,704 from 1,500 commercial meters; and \$29,541 from 183 industrial meters.

ULH&P asserts that the deviation will not have a detrimental effect on customer safety or measurement accuracy of the meters. According to ULH&P, it has several programs resulting in frequent visits to customers' premises. In 1993, for example, there were 943,959 visits, including 850,944 for meter reading. ULH&P has also filed performance reports for meters installed by its affiliate, Cincinnati Gas and Electric Company ("CG&E").

Nonetheless, it is noted that a high percentage of ULH&P's gas meters are installed inside customers' premises. ULH&P's records show that during the period January 1990 through December 1994 it removed 444 gas meters from service due to leakage. In addition, CG&E's meter performance records filed by ULH&P indicate that some meters have not performed to an acceptable level during 14 years in service.

ULH&P evaluated a sample meter test plan as an alternative to extending the testing period. However, it has approximately 16,000 tin meters (22 percent of its total) currently installed which are not performing satisfactorily, all of which are scheduled to be removed in about 4 years. Since tin meters represent a significant percentage of ULH&P's total installed meters, ULH&P should reconsider a sample meter test plan once the unsatisfactory tin meters are removed.

After review of the record and being otherwise sufficiently advised, the Commission finds that:

1. 807 KAR 5:006, Section 25(5)(b) and (c), and 807 KAR 5:022, Section 9(17)(a)3, require safety inspections to be performed by the utility at the time of the periodic meter tests. ULH&P's proposed deviation would increase the period of time between these inspections at residential customers' premises from 10 to 14 years, which would have a negative impact on the existing level of safety for ULH&P's customers.

2. Performance of ULH&P's meters should be reevaluated after all tin meters have been replaced.

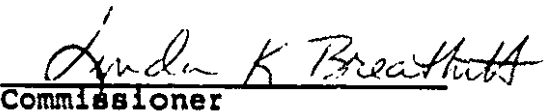
IT IS THEREFORE ORDERED that ULH&P's proposal to deviate from 807 KAR 5:022 Section 8(5), is denied.

Done at Frankfort, Kentucky, this 3rd day of May, 1995.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director