

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE UNION LIGHT, HEAT)	
AND POWER COMPANY FOR PERMISSION TO)	CASE NO.
DEVIATE FROM 807 KAR 5:022, SECTION 8(5),)	98-120
PERIODIC TESTS)	

O R D E R

On March 6, 1998, The Union Light, Heat and Power Company ("ULH&P") filed with the Commission its application for a deviation from Commission regulation 807 KAR 5:022, Section 8(5)(a)1, 2, 3, 4, and 5. ULH&P is requesting to retire about 900 gas meters which were affected by flood water during March 1997. ULH&P expressed its concern that these meters have been contaminated by flood water which could cause health problems for persons coming into contact with them. ULH&P is requesting to retire and destroy these meters without testing and to list them as Did Not Register ("DNR") on the quarterly meter report following their being retired and destroyed. ULH&P confirmed that there have been no customer complaints within this group of meters to suspect any meter inaccuracies.

After considering the evidence of record and being sufficiently advised, the Commission finds that:

1. Because floods are a natural and recurring event in the service area of ULH&P, the utility should take appropriate measures to ensure the integrity of its distribution system in general, and its metering devices in particular. Any contamination

of its distribution and metering system threatens not only the health and safety of its own employees, but also that of its customers and the general public.

2. The utility should establish procedures for handling meters affected by future episodes of flooding which comply with the meter testing requirements of the Commission's regulations in both a prudent and timely manner.

3. Since considerable time has passed since the meters were taken out of service, it no longer appears reasonable to conduct "as found" tests of the estimated 900 meters affected by the March 1997 flood.

4. ULH&P's petition for a deviation from 807 KAR 5:022, Section 8(5)(a)1, 2, 3, 4 and 5, to retire the meters affected by the March 1997 flood should be granted.

5. The affected meters should be coded as DNR.

IT IS THEREFORE ORDERED that:

1. Because floods are a natural and recurring event in its service area, ULH&P shall take appropriate measures to ensure the integrity of its distribution system in general, and its metering devices in particular.

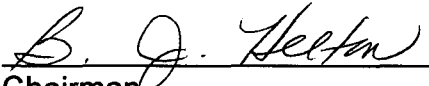
2. ULH&P shall establish procedures for handling meters affected by future episodes of flooding which comply with the meter testing requirements of the Commission's regulations in both a prudent and timely manner.

3. ULH&P is granted a deviation from 807 KAR 5:022, Section 8(5)(a)1, 2, 3, 4, and 5 for the specified group of meters affected by the March 1997 flood.

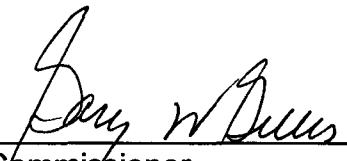
4. ULH&P shall retire the affected meters and code them in the record as DNR.

Done at Frankfort, Kentucky, this 18th day of May, 1998.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director