

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF THE UNION LIGHT, HEAT)	
AND POWER COMPANY FOR APPROVAL)	
OF A SPECIAL CONTRACT WITH INSIGHT)	
KENTUCKY PARTNERS II, L.P. AND FOR)	CASE NO.
DEVIATION FROM ADMINISTRATIVE)	2004-00082
REGULATION 807 KAR 5:022, SECTION)	
8(2)(a))	

O R D E R

The Union Light, Heat and Power Company (“ULH&P”) has filed an application pursuant to 807 KAR 5:022, Section 18, requesting permission to deviate from 807 KAR 5:022, Section 8(2)(a).

Insight Kentucky Partners II, L.P. (“Insight”) approached ULH&P to request unmetered service for its gas-operated generators to supplement Insight’s power supply in the event of an interruption of ULH&P’s electric service. Insight requires constant electrical power to maintain high-speed digital access and other communication services.

ULH&P requests that the Commission approve a meter reading sample plan that ULH&P has developed to obtain a sample of meter readings for the gas usage of Insight’s back-up generators. Insight currently has 52 back-up generators on ULH&P’s system. ULH&P proposes to install meters for five of these generators and obtain monthly readings for a period of 3 months. Following completion of the meter reading sample plan, ULH&P intends to file an application for approval of a special contract, and

a deviation from Administrative Regulation 807 KAR 5:022, Section (8)(2)(a), so that ULH&P may provide Insight unmetered gas service to Insight's back-up generators.

On April 24, 2004, ULH&P filed a letter, which the Commission will treat as a motion, in which it requests that the Commission incorporate the record from Case No. 2003-00483¹ into this proceeding. ULH&P stated in that record that it anticipates that the back-up generators will operate infrequently and only for brief periods of time. ULH&P estimates that it would be more costly to install and operate meters for Insight's back-up generators than it would be to simply estimate the usage.

807 KAR 5:022, Section 8(2)(a), requires all gas sold in Kentucky to be metered except in cases of emergency or when otherwise authorized by the Commission. The Commission finds that ULH&P has shown good cause for the Commission to grant a deviation from 807 KAR 5:022, Section 8(2)(a).

IT IS THEREFORE ORDERED that:

1. ULH&P's request to deviate from 807 KAR 5:022, Section 8(2)(a), as set out herein is approved until December 31, 2004.
2. ULH&P shall complete its meter reading sample plan on or before October 1, 2004.
3. The record of Case No. 2003-00483² is incorporated herein by reference.

¹ See Case No. 2003-00483, Application of The Union Light, Heat and Power Company for Approval of a Special Contract with Insight Kentucky Partners II, L.P.

² Id.

Done at Frankfort, Kentucky, this 12th day of May, 2004.

By the Commission

ATTEST:

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

Executive Director