COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF OWEN ELECTRIC)COOPERATIVE, INC. FOR A DEVIATION FROM)CASE NO. 2006-00468APPROVED METER TESTING PROGRAM)

<u>O R D E R</u>

In Case No. 2005-00276,¹ the Commission authorized Inter-County Energy Cooperative Corp., Kentucky Power Company, Kentucky Utilities Company, Louisville Gas and Electric Company, Owen Electric Cooperative, Inc. ("Owen"), Shelby Energy Cooperative, and The Union Light, Heat and Power Company (collectively "Utilities") to adopt, effective January 1, 2006, the Utilities' 2006 Sample Meter Testing Plan. On November 7, 2006, Owen filed a written request, which the Commission will treat as an application, for permission to temporarily deviate from the approved 2006 Sample Meter Testing Plan.

In Case No. 2006-00314,² we approved the installation of an Automated Meter Reading System ("AMRS") for Owen. That program will result in the complete replacement, within 3 years, of all meters in Owen's system with solid-state meters. Owen states that, during the 3-year period (from 2007 through 2009), it will install each

¹ Case No. 2005-00276, The Joint Amended Application of Inter-County Energy Cooperative Corp., Kentucky Power Company, Kentucky Utilities Company, Louisville Gas and Electric Company, Owen Electric Cooperative, Inc., Shelby Energy Cooperative, and The Union Light, Heat and Power Company for Approval of A Pilot Meter Testing Plan (Ky. PSC Nov. 10, 2005).

² Case No. 2006-00314, The Application of Owen Electric Cooperative, Inc. for An Order Issuing a Certificate of Public Convenience and Necessity (Ky. PSC Oct. 31, 2006).

year one-third of AMRS meters until every meter on its system, from single-phase to poly-phase, is replaced. Thus each meter will receive an "as-found test," and no meter with a test date longer than 3 years will remain in service. The Commission, having reviewed the information submitted and being otherwise sufficiently advised, finds that Owen's request to deviate from the approved Sample Meter Testing Program should be granted. The Commission finds that the installation of the solid-state meters will result in the substitution of all existing meters within a 3-year period and will alleviate the need for a sample test during the 2007 – 2009 period, after which Owen will return to the approved Sample Meter Testing Plan.

IT IS THEREFORE ORDERED that:

1. Owen's request for a deviation from the 2006 Sample Meter Testing Plan for years 2007 through 2009 is granted.

2. Owen shall install one-third of the AMRS annually from 2007 through 2009, as approved in Case No. 2006-00314, after which it shall resume the approved Sample Meter Testing Plan.

Done at Frankfort, Kentucky, this 13th day of December, 2006.

By the Commission

ATTEST:

Executive Director