COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GRAYSON RURAL)	
ELECTRIC COOPERATIVE)	CASE NO.
CORPORATION FOR A DEVIATION FROM)	2009-00103
807 KAR 5:041, SECTION 15(3), SAMPLE)	
MASTER METER TESTING PROGRAM)	

ORDER

On March 5, 2009, Grayson Rural Electric Cooperative Corporation ("Grayson"), applied for authority to begin a sample meter testing program. Pursuant to 807 KAR 5:041, Section 16, and upon approval by the Commission, an electric utility may implement a scientific sample meter testing plan for single-phase meters in lieu of the periodic test required by 807 KAR 5:041, Section 15(3). Grayson proposed that it sample-test its single-phase meters according to the American National Standard ANSI/ASQC Z1.9-2003.

On July 16, 2009, Grayson filed a revised application and discovery was conducted. The matter now stands submitted to the Commission for a determination based on the evidentiary record.

Grayson's proposed statistical sampling plan provides for the division of residential watt-hour meters into homogeneous groups. Grayson states that the meter lot composition will be based on manufacturer and type. Grayson proposes to test all meters in a failed-test group within 18 months. According to Grayson's application, the proposed testing plan will achieve an annual cost reduction of approximately \$86,000.

Grayson indicated that group performance for new and existing meters shall be deemed acceptable if the full-load performance of the meters satisfies the acceptability criteria of the ANSI/ASQC Z1.9-2003. However, the Commission notes that it is very possible that a meter might test accurately under a full-load test, but fail under a light-load test, in which case the subject meter would not be accurate.

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that the proposed sample meter plan will be reasonable only if revised to reflect the following change:

Lot performance for new and existing meters shall be deemed acceptable if the full-load and light-load performance of the meters within the lot meets the acceptability criteria of the ANSI/ASQC Z1.9-2003.

IT IS THEREFORE ORDERED that:

- Grayson's application to implement a sample meter testing program for its single-phase meters is conditionally approved.
- 2. Grayson shall have 20 days from the date of this Order to file a sample meter test plan reflecting the modification discussed in the finding above.

By the Commission

ENTERED

SEP 2.5 2009

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST:

Executive Director

Carol Hall Fraley President & CEO Grayson R.E.C.C. 109 Bagby Park Grayson, KY 41143