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October 8, 2008

James R. Williams
Manager of Construction
Owen Electric Cooperative, Inc.
8205 Highway 127 North
P. O. Box 400
Owenton, KY 40359

CERTIFICATE OF SERVICE

RE: Case No. 2008-00365
Owen Electric Cooperative, Inc.

I, Stephanie Stumbo, Executive Director of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the addressee by U.S. Mail on October 8, 2008.

Executive Director

SS/ke
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

FILING OF OWEN ELECTRIC)	
COOPERATIVE, INC. REQUESTING A)	CASE NO.
DEVIATION FROM METER TESTING)	2008-00365
REQUIREMENTS)	

ORDER

Owen Electric Cooperative, Inc. ("Owen Electric") filed its application on September 2, 2008, requesting a deviation from 807 KAR 5:041, Section 17, which requires an "as found" test on meters removed from the field. Owen Electric's request is for approximately 17,000 solid state meters which have been in service for less than a year and will need to be removed from service due to a defective resistor.

Owen Electric is in the process of installing a power line carrier Automated Metering Infrastructure ("AMI") system. The system selected was Cannon Technologies. Owen Electric received notification from the Cannon Technologies engineering staff that a defective resistor had been installed in the communication module located inside the new 17,000 meters that Owen Electric had installed. Owen Electric states that these meters still measure correctly and display properly but are ineffective as AMI devices. All those meters are solid state with no moving parts. Cannon Technologies has taken responsibility for the defect and will be making the necessary repairs. Owen Electric is pulling the meters and will be returning them to Cannon Technologies for repair.

Owen Electric filed, as part of its application, test results for approximately 400 meters that show the accuracy of each meter prior to installation, as found, and after

each was repaired by Cannon Technologies. It appears from the results that meter accuracy was not affected by the repair of the meter.

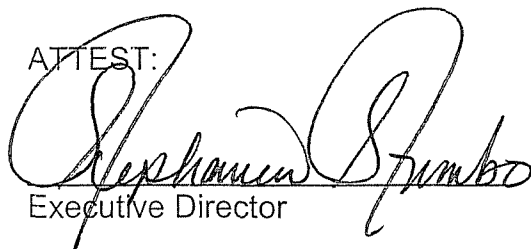
Based on the results of the tested meters, and given that all the meters requiring repairs are solid state with no moving parts and that the defective resistor affected only the communication module of each meter, the Commission finds that the request for testing of the defective meters only after they are repaired and before they are returned to Owen Electric is reasonable. The Commission also finds that any reading falling out of the +2/-2 percent range will be immediately reconciled with the customer as required by 807 KAR 5:006, Section 10.

IT IS THEREFORE ORDERED that Owen Electric's request for deviation from KAR 5:041, Section 17, as described in its application is granted.

Done at Frankfort, Kentucky on 8th day of October, 2008.

By the Commission

ATTEST:



Stephanie Spumbo
Executive Director