DORSEY, KING, GRAY, NORMENT & HOPGOOD

ATTORNEYS-AT-LAW

318 SECOND STREET

HENDERSON, KENTUCKY 42420

TELEPHONE (270) 826-3965 TELEFAX (270) 826-6672 www.dkgnlaw.com

November 17, 2010

RECEIVED

NOV 2 2 2010

PUBLIC SERVICE

COMMISSION

Mr. Jeff DeRouen Kentucky Public Service Commission Post Office Box 615 Frankfort, KY 40602

Re: Case No. 2010-00034

Dear Mr. DeRouen:

It has come to the attention of Kenergy Corp. ("Kenergy") that two (2) changes need to be made to Kenergy's Sample Metering Testing Plan approved by the Commission in the above case. Both changes are on page 4 of 8 and enclosed are redline and clean versions of said page, with the changes.

These changes have been discussed with Elie Russell of the Commission's engineering division and pursuant to his directions the enclosures are being sent with Kenergy's request that the clean version be substituted for existing page 4 of 8 of the approved plan.

Please send the undersigned confirmation that this page substitution is approved. Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD By

Frank N. King, Jr. Attorney for Kenergy Corp

FNKJr/cds Encls. COPY/w/encls.: Mr. Elie Russell Mr. Robert Hayden, Kenergy Corp.

JOHN DORSEY (1920-1986) FRANK N KING, JR. STEPHEN D GRAY WILLIAM B. NORMENT, JR. J CHRISTOPHER HOPGOOD S. MADISON GRAY

PROCEDURE (cont.)

Randomly selected meters (lot) from each group will be sent to the meter shop. If damaged or non-registering meters have issues that are not a manufacturer's defect or meter was exposed to abnormal conditions these meters will be replaced by another random selection.

The meters will be tested under full load, light load and 50% power factor.

Watthour meter shall be adjusted when the error in registration exceeds 1% at either light load or full load or when the error in registration exceeds 1% at 50 percent power factor. The meter will be retired if the registration error cannot be corrected.

For each lot, calculations will be based on the Double Specification Limit Variability Unknown-Standard Deviation Method. <u>The average of the Full Load and Light Load test</u> results will be evaluated. **Example B-3** in *ANSUASQC Z1.9-2003* demonstrates this calculation method. **Table B-3** is included in this proposal.

An annual report (showing each group's performance) and a copy of the manufacturer's new meter test data will be provided.

Lot performance shall be deemed acceptable if the full-load and light-load performance of the meters within the lot meet the acceptability criteria of the **ANSI** standard. When a group is classified as failed and a poorly performing sub-group can be identified for separation from the original control group, the deviate sub-group will be removed from service within a 12-month period.

If, by the removal of a specific sub-group of meters, Kenergy can demonstrate that the original control group of meters now meets the acceptability standard, the remaining meters in the original control group shall remain in service.

If a deviate sub-group of meters cannot be identified to improve the control group's accuracy, then Kenergy will remove and test the entire control group of meters within 18 months once it has failed the applicable governing standard for the control group. Subgroups of the control group may be determined by evaluating the date of original purchase, date of original manufacture, and date of remanufacture. Other methods of determining subgroups may also be used.

If Kenergy should suffer an operational hardship due to this requirement, a request for deviation may be filed.

Kenergy will sample test new meters using an Inspection Level I and an AQL 1.0.

NOV 222010 PUBLIC SERVICE COMMISSION

RECEIVED

Deleted: Full Load test results will be evaluated Deleted: B-4

Page 4 of 8

PROCEDURE (cont.)

RECEIVED NOV 2 2 2010 PUBLIC SERVICE

Randomly selected meters (lot) from each group will be sent to the meter shop. If MISS, damaged or non-registering meters have issues that are not a manufacturer's defect or meter was exposed to abnormal conditions these meters will be replaced by another random selection.

The meters will be tested under full load, light load and 50% power factor.

Watthour meter shall be adjusted when the error in registration exceeds 1% at either light load or full load or when the error in registration exceeds 1% at 50 percent power factor. The meter will be retired if the registration error cannot be corrected.

For each lot, calculations will be based on the Double Specification Limit Variability Unknown-Standard Deviation Method. The average of the Full Load and Light Load test results will be evaluated. **Example B-3** in *ANSI/ASQC Z1.9-2003* demonstrates this calculation method. **Table B-3** is included in this proposal.

An annual report (showing each group's performance) and a copy of the manufacturer's new meter test data will be provided.

Lot performance shall be deemed acceptable if the full-load and light-load performance of the meters within the lot meet the acceptability criteria of the **ANSI** standard. When a group is classified as failed and a poorly performing sub-group can be identified for separation from the original control group, the deviate sub-group will be removed from service within a 12-month period.

If, by the removal of a specific sub-group of meters, Kenergy can demonstrate that the original control group of meters now meets the acceptability standard, the remaining meters in the original control group shall remain in service.

If a deviate sub-group of meters cannot be identified to improve the control group's accuracy, then Kenergy will remove and test the entire control group of meters within 18 months once it has failed the applicable governing standard for the control group. Subgroups of the control group may be determined by evaluating the date of original purchase, date of original manufacture, and date of remanufacture. Other methods of determining subgroups may also be used.

If Kenergy should suffer an operational hardship due to this requirement, a request for deviation may be filed.

Kenergy will sample test new meters using an Inspection Level I and an AQL 1.0.