

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENNETH B. KENNEDY)	
)	
COMPLAINANT)	
)	CASE NO.
VS.)	93-064
)	
MEADE COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION)	
)	
DEFENDANT)	

O R D E R

On February 19, 1993, Kenneth B. Kennedy filed a formal complaint with the Commission wherein he asserted Meade County Rural Electric Cooperative Corporation ("Meade RECC") had incorrectly assessed charges to him which relate to a metering dispute. Meade RECC filed its answer on March 8, 1993. Pursuant to Commission Order, a public hearing was held on June 8, 1993. Both the Complainant and Defendant appeared at the hearing; Meade RECC was represented by counsel.

After consideration of the evidence of record and being otherwise sufficiently advised, the Commission finds that Mr. Kennedy has failed to meet his burden of proof and the complaint should accordingly be dismissed.

The record reflects that Meade RECC conducted an annual meter reading pursuant to 807 KAR 5:006, Section 6(5), of Mr. Kennedy's meter No. 14893 on or about December 26, 1991. The following year, on or about December 15, 1992 a subsequent reading and visual

inspection occurred. At that time the meter seal was found to be broken and the meter was removed for testing. Meade RECC requested Heartland Metering Service ("Heartland") conduct a test of the accuracy of the meter. Heartland's meter test report¹ reflects that the rear seal on the meter back was cut and the disk was bent preventing free movement. Heartland found the disk would barely turn on full load and would not turn at all on light load. Heartland determined the average meter accuracy to be 36.2 percent.

By letter dated January 22, 1993, Mr. Kennedy was notified by Meade RECC of the findings of the Heartland test and assessed \$759.84 for unmetered usage and \$32.50 for the cost of the meter. Mr. Kennedy objected to the assessment of additional charges and initiated this complaint on February 19, 1993.

At the hearing Mr. Kennedy testified that he should have been billed for an additional 2226 kilowatt hours (KWH)² to approximate historical usage. Meade RECC calculated his unbilled usage by using a standard formula for low test correction and applied that formula to actual usage for each of the eleven full months in 1992 for which Mr. Kennedy was underbilled. For example, Meade RECC divided the measured amount billed (703 KWH) for January 1992 by the percent of average meter accuracy (.362) to determine Mr. Kennedy's actual usage (1942 KWH). The actual usage was then

¹ Exhibit 1 to Meade RECC's Answer filed March 8, 1993.

² In his complaint Mr. Kennedy originally alleged he should have been billed for 2500 KWH of unmetered usage but revised this figure during his testimony at the hearing.

subtracted from the amount actually billed (703 KWH) to determine the amount of unbilled usage (1942 KWH - 703 KWH= 1,239 KWH unbilled for January 1992). The amount due for unbilled usage was then determined by using Meade RECC's current rate schedule and deducting any amounts already paid by Mr. Kennedy. Meade RECC determined that for the period January 1992 through November 1992, Mr. Kennedy owed \$759.84 plus \$32.50 for the cost of the meter.

807 KAR 5:006, Section 10, prescribes the procedure a utility must use when customer meters are found to be measuring in excess of two percent fast or slow. The regulation provides that when the average meter error is found to be greater than two percent slow, as is the case here, the utility shall determine the period during which the meter error has existed. In the instant case, the evidence reflects the meter showed no outward evidence of a broken seal or bent disk in December, 1991. However, in December 1992, during the same type of visual inspection conducted the year before, damage was noted.

If the period during which the meter error is known to have existed cannot be determined with reasonable accuracy, the utility shall estimate and readjust the account using criteria such as the elapsed time since the last meter test. In this case, the last test on the Meter 14893 occurred in October, 1987. Based upon the evidence and testimony given at the hearing, the Commission finds it reasonable to use the shorter of the two periods for purposes of calculating the unbilled usage of Mr. Kennedy. Thus, Meade RECC has properly calculated Mr. Kennedy's unbilled usage and is

entitled to collect the sum of \$759.84 in accordance with 807 KAR 5:006, Section 10(2). Meade RECC's currently effective tariff provides that members of the RECC are responsible for loss or damage of company property including the meter. Thus, a charge of \$32.50, the cost of the meter, may be assessed to Mr. Kennedy.


The Commission finds Mr. Kennedy's testimony that he should be assessed for 2226 KWHs unpersuasive. Reviewing historical usage for Mr. Kennedy's account does not reflect any correlation between prior years usage and Mr. Kennedy's proposed adjustment of 2226 KWHs.

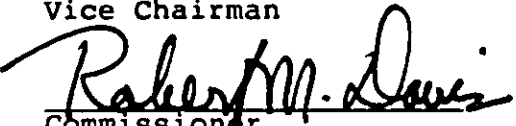
IT IS THEREFORE ORDERED that the Complainant having failed to meet his burden of proof, this complaint be and it hereby is dismissed.

Done at Frankfort, Kentucky, this 30th day of July, 1993.


PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director