

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE UNION LIGHT, HEAT)
AND POWER COMPANY FOR APPROVAL OF A)
STATISTICAL SAMPLE METER TEST PLAN FOR) CASE NO. 98-526
RESIDENTIAL, INDUSTRIAL AND COMMERCIAL)
CLASS METERS PURSUANT TO 807 KAR 5:022,)
SECTION 8(5)(C))

O R D E R

On October 6, 1998, The Union Light, Heat and Power Company ("ULH&P") filed an application requesting approval of a statistical sample meter test plan for residential gas meters pursuant to 807 KAR 5:022, Section 8(5)(c). On December 21, 1998, ULH&P amended its application to deviate from the testing requirements of 807 KAR 5:022, Section 8(3), 8(5)(a), and KAR 5:006, Section 16(1). On March 5, 1999, ULH&P filed a second amended application requesting that its plan be approved as a 5-year pilot program consistent with similar plans previously approved by the Commission for other utilities.¹

The plan is based on Military Standard 105D, Sampling Procedures and Tables for Inspection by Attributes ("Military Standards"). ULH&P has further requested a deviation from 807 KAR 5:022, Section 8(3)(a)1, to test samples of new gas meters under the terms of the revised plan in lieu of 100 percent testing required under the regulation. ULH&P estimates an annual savings of approximately \$300,000 from

¹ ULH&P's plan is attached to its second amended application as Appendix A thereto.

implementing the statistical sample meter test plan, as compared to the costs of current periodic testing.

ULH&P states that the safety inspection of a customer's service lines at the time a meter is removed would continue under the new plan. ULH&P has also confirmed that there will be no change in the inspection of curb boxes as a result of the new plan.

After consideration of the record and being otherwise sufficiently advised, the Commission finds that ULH&P's plan should be accepted for a pilot period of 5 years. To assist the Commission in properly monitoring this program, ULH&P should file an annual report with the Commission, which would include, at a minimum, identification and test results of each control group, test results for the new meters including the manufacturer's test records, evaluation and analysis of the data, corrective actions taken for the groups that do not meet the criteria, cost savings, safety measures, and overall efficiency of the plan.

IT IS THEREFORE ORDERED that:

1. ULH&P's proposed statistical sample meter test plan is approved for a period of 5 years from the date of this Order. ULH&P shall file its evaluation of the plan with the Commission along with any application to continue or notice of discontinuance of the plan no later than April 1, 2004.
2. ULH&P is granted a deviation from 807 KAR 5:022, Section 8(3)(a)1, for new gas meters for the period of the pilot sampling test plan.
3. Within 30 days of the date of this Order, ULH&P shall notify the Commission of the time frame for implementation of the plan. ULH&P shall file its first annual report no later than April 1, 2000 and subsequent reports within 12 months thereafter.

Done at Frankfort, Kentucky, this 1st day of April, 1999.

By the Commission

ATTEST:

Executive Director