COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BIG SANDY)
RURAL ELECTRIC COOPERATIVE) CASE NO. 2004-00188
CORPORATION, INC. TO AMEND ITS)
RULES AND REGULATIONS)

ORDER

On May 14, 2004, Big Sandy Rural Electric Cooperative Corporation, Inc. ("Big Sandy") submitted an application requesting approval to revise its tariff to include a provision for "tampering" and to include an updated bill statement. On June 28, 2004, at the request of Commission Staff, Big Sandy filed additional information regarding its proposed tampering provision. The additional information filed by Big Sandy provided the Commission with clarification of Big Sandy's proposal.

Big Sandy defined tampering as any activity that would prohibit a meter or any other electrical equipment from accurately recording electric consumption. It described a reasonable process that will be implemented to estimate usage in the event a tampered meter fails to properly register service. Big Sandy set forth reasonable fees that it will assess its customers for testing, replacement, repairs, inspections, investigations, and protective installations if tampering occurs.

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that Big Sandy's request to revise its tariff to include a tampering provision and an updated bill format is reasonable. However, the language Big Sandy proposed for its tampering provision is too vague. The tariff should include a definition of tampering and include the process Big Sandy proposes to implement to calculate

usage in the event a tampered meter fails to properly register service. We further find that the rates set forth by Big Sandy in its response of June 28, 2004 are reasonable and should be included in the tariff as follows:

Testing meter for accuracy: \$15.00

Replacements: Actual cost

Repairs: Actual cost

Inspections: \$25.00

Investigations: \$25.00

Protective installation (installation of specialized tamper-resistant security band

and meter base lock): \$25.00 labor plus actual cost of

equipment

IT IS THEREFORE ORDERED that:

1. The tariff revisions proposed by Big Sandy are approved, subject to the modifications set forth herein.

2. Within 20 days from the date of this Order, Big Sandy shall file with the Commission revised tariff sheets that reflect the provisions and modifications approved herein.

Done at Frankfort, Kentucky, this 17th day of August, 2004.

By the Commission

ATTEST:

Executive Director