Ernie Fletcher Governor

LaJuana S. Wilcher, Secretary Environmental and Public Protection Cabinet

Christopher L. Lilly Commissioner Department of Public Protection

Jim Dimas Senior Corporate Attorney Louisville Gas and Electric Company 220 W. Main Street P. O. Box 32010 Louisville, KY 40232-2010



Commonwealth of Kentucky

Public Service Commission
211 Sower Blvd.
P.O. Box 615

Frankfort, Kentucky 40602-0615

Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

November 10, 2005

KPSC No. 2014-00396 Attorney General's Initial Set of Data Requests Dated January 29, 2015 Item No 134 Mark David Goss<sup>Attachment</sup> 1 Chairman Page 1 of 5

> Teresa J. Hill Vice Chairman

Gregory Coker Commissioner

## CERTIFICATE OF SERVICE

RE: Case No. 2005-00276

American Electric Power / Inter-County Energy Cooperative Corporation / Kentucky Utilities Company / Louisville Gas and Electric Company / Owen Electric Cooperative, Inc. / Shelby Energy Cooperative, Inc. / The Union Light, Heat and Power Company

I, Beth O'Donnell, 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 November 10, 2005.

**Executive Director** 

BOD/jc Enclosure



Jim Dimas Senior Corporate Attorney Louisville Gas and Electric Company 220 W Main Street P. O. Box 32010 Louisville, KY 40232-2010 Honorable Mark R. Overstreet Attorney at Law Stites & Harbison 421 West Main Street P. O. Box 634 Frankfort, KY 40602-0634 KPSC No. 2014-00396 Attorney General's Initial Set of Data Requests Dated January 29, 2015 Item No 134 Attachment 1 Page 2 of 5

KPSC No. 2014-00396 Attorney General's Initial Set of Data Requests Dated January 29, 2015 Item No 134 Attachment 1 Page 3 of 5

## COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

## In the Matter of:

THE JOINT AMENDED APPLICATION OF
THE UTILITIES: INTER-COUNTY ENERGY
COOPERATIVE CORP., KENTUCKY POWER
COMPANY, KENTUCKY UTILITIES
COMPANY, LOUISVILLE GAS AND
ELECTRIC COMPANY, OWEN ELECTRIC
COOPERATIVE, INC., SHELBY ENERGY
COOPERATIVE, INC. AND THE UNION
LIGHT, HEAT AND POWER COMPANY
FOR APPROVAL OF A PILOT METER
TESTING PLAN PURSUANT TO 807 KAR
5:041, SECTIONS 13, 15, 16, 17, AND 22

CASE NO. 2005-00276

## ORDER

On July 1, 2005, Inter-County Energy Cooperative Corp., Kentucky Power Company, Kentucky Utilities Company, Louisville Gas and Electric Company, Owen Electric Cooperative, Shelby Energy Cooperative, and The Union Light, Heat and Power Company (collectively "Utilities") filed an evaluation report which describes their respective costs and benefits over the first 4 years of a 5-year sample meter test plan. Formally known as the Revised Amended Sample Meter Test Plan ("2001 Plan"), it was approved by the Commission as a 5-year pilot in Case No. 1999-00441. The 2001

<sup>&</sup>lt;sup>1</sup> Case No. 1999-00441, The Joint Application of the Utilities: Inter-County Energy Cooperative Corp., Kentucky Power Company d/b/a American Electric Power, Kentucky Utilities Company, Louisville Gas and Electric Company, Owen Electric Cooperative, Shelby Energy Cooperative, The Union Light, Heat and Power Company Collectively Called ("Utilities") For Approval of a Pilot Meter Testing Plan Pursuant to 807 KAR 5:041, Sections 13, 15, 16, 17, and 22 (Order dated December 12, 2000).

KPSC No. 2014-00396 Attorney General's Initial Set of Data Requests Dated January 29, 2015

> Item No 134 Attachment 1 Page 4 of 5

Plan authorizes meters to be classified by homogeneous groups and tested for

accuracy on a sample basis in lieu of the testing required by 807 KAR 5:041, Section

16. Based on the favorable results of the evaluation, the Utilities are now requesting

that the 5-year pilot be approved on a permanent basis with one substantive

modification to allow a group of meters to be further subdivided based on additional

knowledge resulting from actual test data of that group or information from the meter

manufacturer. The 2001 Plan with this proposed modification is referred to by the

Utilities as the 2006 Sample Meter Testing Plan.

The proposed modification would amend Section II(D)(3)(b) of the 2001 Plan by

allowing a group of meters to be further subdivided pursuant to the American National

Standard ANSI C12.1-1995 Section 5.1.4.3.3. Under this modification, a group of

meters that fails to meet the established accuracy level may be further subdivided, if

appropriate, by removing from service any identified poor-performing sub-group within

the failed group. The remaining meters in the failed group will remain in service if the

Utilities can demonstrate that the remaining meters meet the accuracy level established

in the 2006 Sample Meter Testing Plan. The Utilities filed supporting documentation to

justify their proposal to allow subdividing meter groups. The Utilities state that allowing

them to subdivide a failed meter group will ensure that poor-performing meters are

removed from service while accurate meters remain in service. The Utilities further

state that the 2001 Plan has worked successfully and, on a collective basis, they have

achieved average annual savings in excess of \$1 million.

Based on the evaluation report and being otherwise sufficiently advised, the

Commission finds that the Utilities' operations under the 2001 Plan have been

-2-

Case No. 2005-00276

KPSC No. 2014-00396 Attorney General's Initial Set of Data Requests Dated January 29, 2015

Item No 134 Attachment 1 Page 5 of 5

reasonable, that inaccurate meters have been removed from service, and that meter

testing costs are now lower than they otherwise would have been. The Commission

further finds that the requested modification to permit, under certain circumstances,

groups of meters to be subdivided is reasonable and should be approved.

Consequently, the Commission will approve on a permanent basis the proposed 2006

Sample Meter Testing Plan.

IT IS THEREFORE ORDERED that:

1. The Utilities' 2006 Sample Meter Testing Plan, set forth as Exhibit 8 to

their July 1, 2005 filing, is approved on a permanent basis effective January 1, 2006.

2. The Utilities shall fully comply with all the provisions set forth in their 2001

Plan through December 31, 2005 and shall thereafter fully comply with all provisions of

their 2006 Sample Meter Testing Plan in lieu of the requirements set forth in 807 KAR

5:041, Section 16.

Done at Frankfort, Kentucky, this 10th day of November, 2005.

By the Commission

ATTEST:

Exacutive Director