




**Shelby Energy
Cooperative, Inc.**

Your Touchstone Energy® Partner 

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PUBLIC SERVICE
COMMISSION

August 10, 2010

Jeff Derouen
Executive Director
Public Service Commission
PO Box 615
Frankfort, KY 40602

CASE NO. 2010-00331

Dear Mr. Derouen,

Shelby Energy Cooperative Inc. is currently testing meters in compliance with the Sample Meter Testing Plan (2005-00276). This procedure serves us very well, but at this time, we would like to request a temporary deviation from this program. We ask that this deviation be effective for a period of two years, 2010 and 2011.

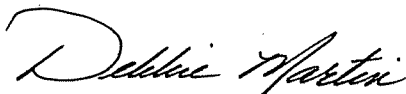
Shelby Energy Cooperative is about to begin an aggressive implementation of an advanced metering infrastructure (AMI). We have selected the Aclara AMI System, which uses power line carrier technology. The decision has been made to remove all meters and install new solid-state meters that are compatible with the AMI system. We have nearly 16,000 meters in service and plan to have all our meters changed out and the AMI system completely installed in eighteen (18) months.

During the next eighteen (18) months every single phase meter on our system will receive an "as found test". This conversion to AMI will completely upgrade our system and absolutely no single phase meter will be in-service with a test date older than two years at the completion of this project.

For the reasons outlined above, Shelby Energy Cooperative respectfully requests this deviation from sample meter testing.

For any further information, please call 1-800-292-6585

Sincerely,



Debbie Martin
President and CEO
Shelby Energy Cooperative

www.shelbyenergy.com

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