

A.
(Blue Wood 3/96)

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 21st
day of September, 1999.

In the Matter of the Application of)
Kansas City Power & Light Company for a)
Waiver or Variance from Order Granting) Case No. EO-96-386
Variance in Case No. EO-91-224 for Good)
Cause Shown)

ORDER DIRECTING STAFF TO INVESTIGATE AND REPORT

On May 13, 1996, Kansas City Power & Light Company (KCPL) filed an application requesting that the Commission grant it a waiver or variance from the Order Granting Variance in Case No. EO-91-224. The order from which KCPL sought a waiver permitted KCPL to use statistical procedures to establish the accuracy of its induction-type meters in lieu of strictly complying with the requirements of 4 CSR 240-10.030(28), which requires periodic testing of such meters.

KCPL's application indicated that it was working with CellNet Data Systems to retrofit KCPL's existing metropolitan Kansas City meter population with CellNet meter modules in order to implement an automated meter reading system. As part of that process, KCPL indicated that it planned to test, had tested or would test almost every meter in service in the Kansas City metropolitan area within the period of 1995 and 1996 as part of its implementation of an automatic meter reading system. Therefore, KCPL requested that it be relieved of the requirement to use statistical procedures to test the accuracy of its meters. KCPL

requested that the waiver from the required testing procedures be effective only through December 31, 1996. KCPL represented that it would return to compliance with the statistical sampling method of testing the accuracy of its meters in 1997 and beyond.

On July 12, 1996, the Staff of the Commission (Staff) filed a Memorandum in which it recommended that the Commission approve the waiver requested by KCPL, for calendar year 1996. Staff indicated its belief that accuracy of meters would be assured by the testing of the meters on the KCPL system as part of the work required to convert to the automated reading program.

On August 6, 1996, the Commission issued its Order Granting Variance. That order granted the waiver requested by KCPL, effective August 16, 1996. The August 6 order did not establish a specific end date for the waiver, but instead directed Kansas City Power & Light Company (KCPL) to file a pleading in this case notifying the Commission of the exact date that the Company expects completion of the CellNet Data Systems project and reversion to compliance with the standards contained in the Case No. EO-91-224 order. The Order also directed that this case remain open for the receipt of such pleading.

KCPL did not file a pleading indicating the completion of the CellNet Data Systems project and as a result, this file remained open. On June 18, 1999, the Commission issued an Order Regarding Case Status that directed KCPL to file a report advising the Commission of the status or completion of the variance authorized by the Commission's order of August 6, 1996. Following the issuance of an Order Directing Compliance

with Previous Commission Order, KCPL filed the requested report on August 27, 1999.

KCPL's report indicates that the CellNet Data Systems project is not yet complete. KCPL has approximately five thousand meters in the Kansas City metropolitan area left to change. KCPL estimates that the project will be completed no later than January 1, 2000. KCPL also represents that it will revert to compliance with the standards contained in the order issued on Case No. EO-91-224 upon completion of the project.

The project, which KCPL indicated would be completed in 1996, has not yet been completed in 1999. The delay in completion of the project has also resulted in a delay in KCPL's return to the previously approved methods of ensuring accuracy of its meters. The Commission is concerned that this unanticipated delay may have compromised KCPL's ability to ensure the accuracy of its meters, to the possible detriment of its ratepayers. In order to address these concerns, the Commission will direct its Staff to investigate this matter and offer its report to the Commission. If it finds that the delay has compromised KCPL's ability to ensure the accuracy of its meters, Staff shall offer its recommendations for Commission action to correct the problem.

IT IS THEREFORE ORDERED:

1. That the Staff of the Public Service Commission shall investigate the circumstances surrounding the completion of the CellNet Data Systems project. Specifically, the Staff shall determine whether or not the delay in completion of the project has adversely affected

Kansas City Power & Light Company's ability to ensure the accuracy of its meters.

2. That no later than November 22, 1999, Staff shall file a report advising the Commission of the results of its investigation, and recommending appropriate action by the Commission.

3. That this order shall become effective on October 1, 1999.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Crumpton, Murray, Schemenauer,
and Drainer, CC., concur
Lumpe, Ch., absent

Woodruff, Regulatory Law Judge

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION