

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 26th
day of April, 1991.

In the matter of the application of Kansas City Power &)
Light Company for approval of alternative methodology) CASE NO. EO-91-224
for testing induction-type watthour meters.)

ORDER GRANTING VARIANCE

On December 3, 1990, Kansas City Power & Light Company (KCPL) filed a verified application requesting a variance from the Commission's rule, 4 CSR 240-10.030(28). On March 19, 1991, the Commission's Staff (Staff) filed a memorandum in this case recommending approval of the request for variance. The Commission determines that a hearing is unnecessary to determine the matters at issue in this case and will make a decision based upon KCPL's verified application and the recommendation of Staff.

The Commission's rule, 4 CSR 240-10.030(28) requires the periodic testing of each electric service watthour meter unless otherwise ordered by the Commission. This rule requires that induction-type meters manufactured during and since 1937 be tested at least once every 240 months (20 years) and older meters be tested more frequently. KCPL requests approval of a plan which would use statistical procedures to establish the accuracy of these meters.

Under this plan KCPL would categorize the meters into homogeneous groups and randomly select a ten percent sample of each of these groups for testing. If a sample should meet the prescribed criteria for accuracy KCPL would be able to infer at a 95 percent confidence level that no meter within that group would deviate more than two percent plus or minus from 100 percent accuracy. If a sample should fail to meet the prescribed criteria for accuracy, then the group from which that sample is selected would be tested in its entirety and adjusted or returned to the

manufacturer. These methods for testing accuracy are established by the American National Standards Institute in their code on electric metering.

In recommending approval of this request, Staff states that this sampling approach would allow KCPL to save money since less personnel would be needed to remove and test meters. Staff notes that KCPL presently tests 15,000 meters in Missouri annually and that the sampling approach would reduce the number of meters tested annually in Missouri to 3500. Staff further notes that other regulated utilities have used these sampling techniques for testing electric meters for a number of years. Staff recommends that the Commission require KCPL to maintain adequate and complete records of the meters tested in each homogeneous group, the number of meters making up the sample from each homogeneous group, the test results for each homogeneous group, a summary of meters retired in each calendar year and any proposed retirements.

Pursuant to the Commission's rule, 4 CSR 240-10.030(28) and based upon KCPL's verified application and the recommendation of Staff, the Commission finds that KCPL should be granted a variance as requested to establish the sampling plan outlined in this order. The Commission will adopt the recommendation of its Staff that KCPL be required to maintain records setting forth the information Staff suggests.

IT IS THEREFORE ORDERED:

1. That Kansas City Power & Light Company be granted hereby a variance from the provisions of the Commission's rule, 4 CSR 240-10.030(28), in order to carry out the sampling plan set forth herein to be used in the periodic testing of electric service watt-hour meters.

2. That Kansas City Power & Light Company be required hereby to maintain adequate and complete records of the meters tested in each homogeneous group, the number of meters making up the sample from each homogeneous group, the test results for each homogeneous group, a summary of meters retired in each calendar year and any proposed retirements.

3. That nothing in this order shall be considered as a finding by the Commission or the reasonableness of the expenditures herein involved. Furthermore, the Commission reserves the right to consider the ratemaking treatment to be afforded this program and its costs in any later proceeding.

4. That this order shall become effective on the 7th day of May, 1991.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A L)

Steinmeier, Chm., Mueller, Rauch,
McClure and Perkins, CC., Concur.