

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: MAQUOKETA VALLEY ELECTRIC COOPERATIVE	DOCKET NO. WRU-07-41-943
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ORDER GRANTING MODIFIED WAIVER

(Issued February 1, 2008)

On December 5, 2007, Maquoketa Valley Electric Cooperative (Maquoketa) filed with the Utilities Board (Board) a request asking that certain sections of its tariff be waived. After reviewing Maquoketa's filing, the Board believes that Maquoketa is actually requesting a waiver of 199 IAC 20.6(2)"c," which requires that a utility's electric meter testing program include:

Testing of in-service meters, including any associated instruments or corrective devices, for accuracy, adjustments, or repairs. This may be accomplished by periodic tests at specified intervals or on the basis of a statistical sampling plan, but shall include meters removed from service for any reason.

Maquoketa's tariff provides that all meters and associated devices are tested within 180 days after they are removed from service. Maquoketa requested a waiver of the subrule so that all meters that are removed from service as part of an automated meter reading (AMR) system installation will not have to be tested; Maquoketa plans instead to use a statistical sampling plan to test a sample of the meters removed as part of the AMR installation. Maquoketa said it would store all meters removed for a

minimum of six weeks to allow customers an opportunity to challenge the accuracy and reading of any meter that is replaced as part of the AMR installation. No objections to the request for waiver were filed.

In support of the waiver request, Maquoketa said to test all 15,698 meters that it plans to replace would require 5,200 man-hours; the statistical sampling would require only 100 man-hours. If a sample fails to test within the accuracy range prescribed by the Board's rules, Maquoketa said it would increase the sample size pursuant to sampling procedures contained in American Standard Code for Electricity Metering (ANSI) Standard MIL STD-105D. Maquoketa noted that the AMR program will bring significant benefits to its members because the new meters will be able to send information regarding outages and eliminate the need for members to self-read their meters.

Based on the information filed by Maquoketa, the Board will grant a waiver of 199 IAC 20.6(2)"c." The Board believes the burdens of testing all meters removed to implement the AMR program substantially outweigh any benefits and application of 199 IAC 20.6(2)"c" would be unduly burdensome. Maquoketa's workload and costs would increase dramatically with no cognizable benefit or detriment to its members. Pursuant to Maquoketa's request, the waiver will be for the duration of the AMR project or until January 1, 2010, whichever comes first.

The Board does not believe, however, that Maquoketa's proposal to hold the removed meters for only six weeks is reasonable. This is less than two monthly

billing cycles and does not allow a member sufficient time to monitor his or her usage with the new meter and determine if the meter reads from the old and new meter are consistent. If the meter reads are not consistent, this suggests that there might be a problem with the accuracy of one of the meters. Maquoketa's current tariff provides that meters are held for 180 days; the Board has allowed 120-day holding periods in connection with ARM installations and will do so here. See, MidAmerican Energy Company, "Order Granting Request for Waiver," Docket No. WRU-07-25-156 (10/29/2007). This should allow members sufficient time to monitor usage and have any billing errors related to the meter corrected.

Also, Maquoketa's filing is silent as to whether it will maintain its current testing programs for meters that are removed during the AMR installation because of complaints, malfunctions, or other reasons. It is likely that there will be member inquiries regarding metering and billing issues during the AMR installation that are unrelated to AMR. Maquoketa will be required to continue with its existing meter testing program for all meters that are removed from service for any reason (other than AMR installation) during the implementation phase of AMR.

IT IS THEREFORE ORDERED:

1. The request for waiver of 199 IAC 20.6(2)"c" filed by Maquoketa Valley Electric Cooperative on December 5, 2007, regarding the testing of meters removed from service as part of the automated meter reading project is granted, effective until January 1, 2010, or for the duration of the AMR project, whichever comes first.

2. Maquoketa shall retain all meters removed as part of the AMR project for a period of not less than 120 days and shall maintain its current meter testing program for all meters removed for reasons other than AMR installation.

UTILITIES BOARD

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 1st day of February, 2008.