

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: EASTERN IOWA LIGHT AND POWER	DOCKET NO. WRU-08-9-920
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ORDER GRANTING MODIFIED WAIVER

(Issued June 2, 2008)

On March 17, 2008, Eastern Iowa Light and Power (Eastern Iowa) filed with the Utilities Board (Board) a request for 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.

Eastern Iowa plans to replace all electric meters in its service territory in the next three years (2008 through 2010) with an Automatic Meter Reading Infrastructure (AMI) by Canon Technologies.

Eastern Iowa asks for a waiver of two portions of the subrule. First, it seeks a waiver of the requirement to test all meters that are removed from service for any reason; Eastern Iowa wants to sample test meters that are removed from service during the next three years. Second, Eastern Iowa wants to hold in abeyance its meter testing program for the three years the AMI meter replacement is taking place.

Eastern Iowa's tariff provides that all meters removed from service for any reason should be tested pursuant to the Board's rules and Eastern Iowa's meter testing program. During the next three years, Eastern Iowa will replace all of its electric meters (over 25,000) at a rate of approximately 8,500 meters per year. Eastern Iowa first asks for a waiver of 199 IAC 20.6(2)"c" so that it can use a statistical sample testing program based on Military Standard 105D for all meters removed from service. No objections to the waiver request were filed.

In support of the waiver request, Eastern Iowa said that to test all meters removed for the AMI program would require many man-hours of work compared to the time required to test meters using statistical sampling. Eastern Iowa will store meters that have been removed from service for 120 days in the event a customer has a complaint about the removed meter's registration.

Eastern Iowa's second request relates to suspension of its meter testing program for the three years while the new AMI system is being installed. Eastern Iowa currently sample tests one-tenth of its meters each year to meet a ten-year systemwide periodic sample testing program. Eastern Iowa states that because virtually all meters will be replaced during this three-year period, there are few benefits to continuing the meter testing program during the replacement period.

Based on the information filed by Eastern Iowa, the Board will grant a waiver of 199 IAC 20.6(2)"c" to allow statistical sample testing of meters removed from service pursuant to the AMI project. The Board believes the burden of testing all meters removed to implement the AMI program substantially outweighs any benefits and application of 199 IAC 20.6(2)"c" would be unduly burdensome. Eastern Iowa's

workload and costs would increase dramatically with no cognizable benefit or detriment to its members. Eastern Iowa will hold meters removed for AMI for 120 days, which should allow a member sufficient time to determine if the old and new meter reads are consistent; if they are not, this suggests there might be a problem with accuracy of one of the meters and the old meter will be available for testing. Pursuant to Eastern Iowa's request, the waiver will be for the duration of the AMI project or until December 31, 2010, whichever comes first. The Board has previously granted similar waivers. See, MidAmerican Energy Company, "Order Granting Request for Waiver," Docket No. WRU-07-25-156 (10/29/2007).

However, the Board will require Eastern Iowa to revise its sampling program so that it complies with the American Standard Code for Electricity Metering, ANSI C12.1-20001 (ANSI Code), which has been adopted by the Board. Eastern Iowa's waiver request indicates that it would draw a sample from one-third of the meters in each of the three years; the ANSI Code requires that samples should be drawn after meters are divided into homogeneous groups. These homogeneous groups can be based on meter type, meter age, meter manufacturer, or other common characteristics. For simplicity, the Board will require Eastern Iowa to first divide its meters that are removed for AMI replacement into three groups — residential, commercial, and industrial — and then extract a sample and test the meters from each group.

Also, the Board will waive the subrule to allow Eastern Iowa to suspend its general meter testing program during the AMI installation. However, Eastern Iowa's filing is silent as to whether it will maintain its current testing programs for meters that

are tested pursuant to member request. It is likely that there will be member inquiries regarding metering and billing issues during the AMI installation that are unrelated to AMI. Eastern Iowa will be required to continue with its existing request meter testing program for all meters during the implementation phase of AMI.

IT IS THEREFORE ORDERED:

1. The request for waiver of 199 IAC 20.6(2)"c" filed by Eastern Iowa Light and Power on March 17, 2008, regarding the testing of meters removed from service as part of the AMI program and the suspension of the normal meter testing program is granted to the extent discussed in this order, effective until December 31, 2010, or for the duration of the AMI project, whichever comes first.

2. Eastern Iowa shall divide meters that are removed for AMI replacement into three groups (residential, commercial, and industrial) and extract and test a sample from each group, as outlined in this order.

3. Eastern Iowa shall maintain its request meter testing program during the period of the waiver for meter tests requested by members.

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 2nd day of June, 2008.