

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  HEARTLAND POWER COOPERATIVE	DOCKET NO. WRU-08-22-912
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**ORDER GRANTING MODIFIED WAIVER**

(Issued July 1, 2008)

On May 12, 2008, Heartland Power Cooperative (Heartland) 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.

Heartland is upgrading its metering infrastructure and plans to replace all electric meters in its service territory in the next three years with an Automatic Meter Reading Infrastructure (AMI).

Heartland asks for a waiver of two portions of subrule 20.6(2)"c." First, it seeks a waiver of the requirement to test all meters that are removed from service for any reason; Heartland wants to sample test meters that are removed from service during the next three years based upon Military Standard sampling procedures. Second, Heartland wants to hold in abeyance its meter testing program for the three

years the AMI meter replacement is taking place. No objections to the waiver request were filed.

In support of the first part of its waiver request, Heartland stated that its tariff provides that all meters removed from service for any reason should be tested pursuant to the Board's rules and Heartland's meter testing program within 180 days. During the next three years, Heartland will replace all of its approximately 6,200 electric meters. Heartland 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. Heartland noted that the approximate cost of testing all meters would be over \$60,000; the costs of sample testing would be approximately \$1,285. Heartland said it would 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.

Heartland's second request relates to suspension of its meter testing program for the three years while the new AMI system is being installed. Heartland 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 Heartland, 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. Heartland's workload and costs would increase dramatically with no cognizable benefit to its members. Heartland 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. The waiver will be for three years or the duration of the AMI project, whichever comes first. The Board has previously granted similar waivers. See, Maquoketa Valley Electric Cooperative, "Order Granting Modified Waiver," Docket No. WRU-07-41-943 (2/1/2008); MidAmerican Energy Company, "Order Granting Request for Waiver," Docket No. WRU-07-25-156 (10/29/2007).

However, the Board will require Heartland 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. It is unclear from the waiver request how Heartland proposes to draw the sample groups of meters. 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 Heartland to either divide its meters that are removed for AMI replacement into homogenous groups based on meter size, type, or manufacturer, and then extract a sample and test the meters from each group, or divide the meters

by manufacturer and then sample test meters from each manufacturer. The sample tests from each group are to be performed using Military Standard sampling procedures.

Also, the Board will waive the subrule to allow Heartland to suspend its general meter testing program during the AMI installation. However, Heartland'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 possible that there will be member inquiries regarding metering and billing issues during the AMI installation that are unrelated to AMI. Heartland 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 Heartland Power Cooperative on May 12, 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 for three years from the date of this order or for the duration of the AMI project, whichever comes first.
2. Heartland shall either divide meters that are removed for AMI replacement into homogenous groups based on meter size, type, or manufacturer and extract and test a sample from each group as outlined in this order.
3. Heartland shall maintain its request meter testing program during the period of the waiver for meter tests requested by members.

4. Heartland shall store meters removed as part of the AMI project for a minimum of 120 days.

**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 1<sup>st</sup> day of July, 2008.