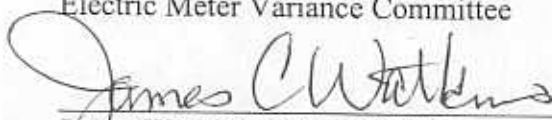




MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. EE-2004-0267, Union Electric Company d/b/a AmerenUE

FROM: Electric Meter Variance Committee


James Watkins, Utility Division


John Coffman, Office of the Public Counsel


Jim Ketter, Utility Division


Nathan Williams, Office of the General Counsel

SUBJECT: Recommendation for **Denial** of a Variance from Individual Electric Metering requirement for service to the Brentmoor at Oaktree project located at 363 Jungermann Road, St. Peters, Missouri.

DATE: January 30, 2004

On December 22, 2003 Union Electric Company, doing business as AmerenUE, filed an application for a variance from the individual metering requirement of 4 CSR 240-20.050 for the Brentmoor at Oaktree project located at 363 Jungermann Road, St. Peters, Missouri.

4 CSR 240-20.050(2) states:

Each residential and commercial unit in a multiple-occupancy building construction of which has begun after June 1, 1981 (emphasis added) shall have installed a separate electric meter for each residential or commercial unit.

4 CSR 240-20.050(1)(D) provides:

For the purposes of this rule—

(D) Construction begins when the footings are poured; (Emphasis added).

The Commission's rule is aimed at compliance with certain sections of the Public Utility Regulatory Policies Act of 1978. Part of that Act, 16 U.S.C. section 2625(d), provides:

Master metering

Separate metering shall be determined appropriate for any new building (emphasis added) for purposes of section 2623(b)(1) of this title if –

- (1) there is more than one unit in such building,
- (2) the occupant of each such unit has control over a portion of the electric energy used in such unit, and
- (3) with respect to such portion of electric energy used in such unit, the long-run benefits to the electric consumers in such building exceed the costs of purchasing and installing separate meters in such building.

AmerenUE stated in its application that the project is “a retirement living community consisting of 166 units and is designed to offer ‘worry free living’ with meals, planned activities, and transportation for outings provided in a single monthly fee, which fee also covers all utility expenses except cable and phone service.” It also stated that separate, individually controlled electric units provide heating, ventilation and air-conditioning (“HVAC”) services to each unit and that hot water is provided through a common gas hot water heating system.

AmerenUE states that the project has been completed with master metering since 2002 and estimates that individually metering each unit would cost it approximately \$180 per apartment, or at total of about \$30,000. Representatives of AmerenUE have related that this building is already wired for both separate and master metering.

The Committee has determined that with respect to the portion of electric energy used by the residents of each unit in the project the applicant has not shown that there is any social policy or financial savings which would constitute long-run benefits to the electric consumers in the building that exceed the costs of purchasing and installing separate meters in the building. Because each unit has its own separately controlled electric heating and air conditioning equipment, the long-run benefits could be significant.

The Electric Meter Variance Committee has considered the potential benefits to consumers of individual metering, i.e., the ability to directly receive the financial benefits of individual conservation and efficiency efforts and the potential for individual choice in selecting an

electricity provider at some time in the future. The Committee finds that these potential benefits are likely to be of significant value to the occupants of these residential units.

The Electric Meter Variance Committee, recommends that the Commission issue an Order denying Union Electric Company, doing business as AmerenUE, a variance from the separate metering requirement of 4 CSR 240-20.050 for master metering of the residential living units of the Brentmoor at Oaktree project located at 363 Jungermann Road, St. Peters, Missouri.