

A:  
EO

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 15th  
day of February, 2000.

In the Matter of the Application of Kansas )  
City Power & Light Company for a Variance ) Case No. EO-2000-251  
from the Commission's Rule Requiring )  
Separate Metering for Bickford House. )

ORDER GRANTING VARIANCE

On September 27, 1999, Kansas City Power & Light Company (KCPL) filed a request for variance from Commission rule 4 CSR 240-20.050 which requires a separate electric meter for each residential or commercial unit in a multi-occupancy building, where construction had begun after June 1, 1981. KCPL stated in its request that the Bickford House, located at 9110 East 63rd Street, Raytown, Missouri, is a building, which will consist of 65 assisted living apartments for elderly residents.

KCPL stated that the owner of the project has requested that one master meter be installed for this project as the owner will be responsible for the payments of the bills for each apartment and the common facilities. KCPL stated that separate metering will increase initial construction costs and obstruct the intentions of the new owner. The new building will be billed on KCPL's 1MGAE rate. KCPL stated in its request that separate metering for each apartment would result in additional expenditures of approximately \$49.40 per

apartment, or \$3,211. Further, KCPL stated that its customer, the owner of Bickford House, estimates savings of approximately \$525 per apartment or \$34,125 if the variance is approved. KCPL stated that it supports the owner's request for the master metering of the project because of the overall cost benefits.

On November 19, 1999, the Variance Committee of the Missouri Public Service Commission (Committee) filed its recommendation that the Commission approve KCPL's Application for Variance. The memorandum of the Individual Electric Metering Variance Committee<sup>1</sup> (Committee) was attached to the Committee's pleading and marked as Appendix A. The Committee's recommendation noted that Commission rule 4 CSR 240-20.050(2) requires the installation of a separate electric meter for each residential or commercial unit in a multiple occupancy building where construction has begun after June 1, 1981. Further, the Committee noted that this Commission rule is aimed at compliance with certain sections of the Public Utility Regulatory Policies Act of 1978. 16 U.S.C. § 2625. Paragraph (d) of 16 U.S.C. § 2625 provides:

Separate metering shall be determined appropriate for any new building 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

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<sup>1</sup> The Individual Electric Metering Variance Committee members are James Watkins, Utility Division; Jim Ketter, Utility Division; Nathan Williams, Office of the General Counsel; and John Coffman, Office of the Public Counsel.

the costs of purchasing and installing separate meters in such building.

The Committee stated that it has reviewed the application, examined the construction plans, and discussed the operation of the Bickford House with both KCPL and the Project Manager. The Committee also stated that it has considered the potential benefits to consumers of individual metering and finds that these potential benefits are likely to be of little value to consumers that choose to live in a carefree retirement community. Further, the Committee stated that since the Bickford House will be paying the electric bill(s), the individual consumers will not directly receive the financial benefits of individual conservation and efficiency efforts. The Committee noted that receiving, processing, and paying 66 separate bills for electric service would be unnecessarily burdensome and costly for the Bickford House.

The Committee also noted that the Application for Variance incorrectly indicated that the electric service to Bickford House would be billed on KCPL's 1MGAE (Medium General Service - All Electric) rate. The Committee stated that natural gas will be used for central space and water heating. The Committee recommended the Commission issue an order approving the variance requested by KCPL from the Commission's rule requiring separate metering for electric service to the Bickford House for good cause shown.

The Commission has reviewed the application and the Variance Committee's recommendation and finds that for good cause shown, the Application for Variance from the requirement for separate metering

for the Bickford House located at 9110 East 63rd Street, Raytown, Missouri, should be granted. Commission rule 4 CSR 240-2.060(11)

**IT IS THEREFORE ORDERED:**

1. That the Application for Variance filed by Kansas City Power & Light Company on September 27, 1999 is granted.
2. That this order shall become effective on February 25, 2000.
3. That this case may be closed after February 28, 2000.

**BY THE COMMISSION**



**Dale Hardy Roberts**  
**Secretary/Chief Regulatory Law Judge**

(S E A L)

Lumpe, Ch., Crumpton, Murray,  
Schemenauer, and Drainer, CC., concur

Register, Regulatory Law Judge