

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

At a Session of the Public Service  
Commission held at its office  
in Jefferson City on the 16th  
day of December, 1992.

Application of Union Electric Company for )  
a variance for the Delcrest Apartments. ) CASE NO. EO-93-108

ORDER GRANTING VARIANCE

On September 18, 1992, Union Electric Company (UE) filed an application for a variance from the individual metering requirement of 4 CSR 240-20.050 for buildings to be constructed and made part of the Delcrest Apartments located in University City, Missouri. 4 CSR 240-20.050, in pertinent part, states:

Each residential and commercial unit in a multiple-occupancy building...shall have installed a separate electric meter for each such residential or commercial unit.

On November 20, 1992, the Commission granted intervention to Council Apartments II, Inc. (Council Apartments), the owner of the planned buildings (Delcrest II). Council Apartments supports UE's request for a variance. On November 18, 1992, the Staff of the Commission (Staff) filed a memorandum recommending that the Commission grant UE's application.

Staff states that Delcrest II would have 118 residential rental units of approximately 500 square feet and a connecting building of residential support facilities. Delcrest II will be attached to an existing building (Delcrest I). Delcrest I contains 144 residential rental units and was constructed as housing for the elderly with funds from the United States Department of Housing and Urban Development (HUD). UE provides electric service to Delcrest I through a single meter under the Large General Service Rate Schedule.

Staff indicates that Delcrest II is to be financed with federal funds issued pursuant to HUD regulations. Delcrest II is a HUD Capital Advance Project providing housing for very low income elderly and disabled persons. According to Staff, HUD defines the tenants' rent payment which includes the cost of utilities and the project owner is responsible for payment of utility bills.

UE argues in its application that individual metering of Delcrest II would not be cost effective considering the small potential for conservation savings as compared to the costs for each meter to the developer. UE also points out that HUD regulations make the responsibility for paying the project's utility bills lie with the project owner, not with the tenants.

The Commission finds that individual metering of Delcrest II would not be cost effective. The Commission also finds that the project owner, not the individual tenants, will be responsible for the payment of the utility bills. Thus, the Commission finds that UE's requested variance is not detrimental to the public interest, and should be granted.

IT IS THEREFORE ORDERED:

1. That Union Electric Company is hereby granted a variance from the provisions of 4 CSR 240-20.050, as contemplated by this Order.
2. That this Order shall become effective on December 29, 1992.

BY THE COMMISSION

*Brent Stewart*

Brent Stewart  
Executive Secretary

(S E A L)

McClure, Chm., Rauch, Perkins,  
and Kincheloe, CC., Concur.  
Mueller, C., Dissents.