BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

)

In the Matter of the Application of Grand View Tower LLC for Approval of a Variance from 4 CSR 240-20.050(2)

Case No. EE-2005-0486

APPLICATION FOR VARIANCE OF UNION ELECTRIC COMPANY AND REQUEST TO ACCEPT INTERVENTION OUT OF TIME

COMES NOW Union Electric Company d/b/a AmerenUE (AmerenUE or Company) and for its Application for a Variance from Section II.K. <u>Non-Standard Service</u> and Subpart V.L. <u>Rent</u> <u>Inclusion</u> of the Company's Schedule 5 – Schedule of Rates for Electric Service, states as follows:

1. Company is a Missouri corporation, in good standing in all respects, with its principal office and place of business located at 1901 Chouteau Avenue, St. Louis, Missouri 63103. The Company is engaged in providing electric and gas utility services in portions of Missouri as a public utility under the jurisdiction of the Missouri Public Service Commission (Commission). The Company is also engaged in providing electric and gas service in portions of Illinois. There is already on file with the Commission a certified copy of the Company's Restated Articles of Incorporation (see Commission Case No. EO-96-431), a Certificate of Corporate Good Standing (see Commission Case No. EF-2003-0514), and a copy of Company's Fictitious Name Registration as filed with the Missouri Secretary of State's Office (see Commission Case No. GO-98-486), and said documents are incorporated herein by reference and made a part hereof for all purposes.

2. Pleadings, notices, orders and other correspondence concerning this Application should be addressed to:

Thomas M. Byrne Associate General Counsel Ameren Services Company 1901 Chouteau Ave. P.O. Box 66149 (MC 1310) St. Louis, MO 63166-6149

3. On June 13, 2005, Grand View Tower L.L.C. (Grand View Tower) filed an Application requesting the Commission grant a variance from 4 CSR 240-20.050(2).

4. On June 15, 2005, the Commission issued an Order Directing Notice and Directing Filing. The Order required notice to be given to AmerenUE, set a deadline for requests for intervention of July 15, 2005, and required the Electric Meter Variance Committee to submit its recommendation by July 15, 2005. AmerenUE did not request intervention.

5. On July 15, 2005, the Electric Meter Variance Committee (Committee) filed its recommendation. The Committee noted that the footings for the building in question were poured prior to June 1, 1981. Citing previous Commission orders, the Committee pointed out that the statutory requirement, for which Grand View Tower was seeking a waiver, did not apply to the building in question. Accordingly, the Committee concluded that a variance from 4 CSR 240-20.050 was unnecessary and recommended the Commission issue an order stating the same. The Committee also noted that Grand View Tower did not request a variance from the relevant AmerenUE tariff, specifically Section II.K. Non-Standard Service and Subpart V.L. Rent Inclusion of the Company's Schedule 5 – Schedule of Rates for Electric Service.

6. On July 19, 2005, the Commission issued an Order Setting Time for Response to the Committee recommendations. The deadline for response was July 29, 2005. No responses were filed.

7. No further action has been taken in the case by any party or by the Commission.

8. In order to resolve this matter without further delay and at the request of the customer, the Company requests permission to intervene in this case out of time and additionally seeks a variance from the individual metering requirement of Section II.K. <u>Non-Standard Service</u> and Subpart V.L. <u>Rent Inclusion</u> of the Company's Schedule 5 – Schedule of Rates for Electric Service for the Grand View Tower project located at 300 South Grand Boulevard., St. Louis, Missouri, 63103.

9. This project is currently underway and the customer has requested that AmerenUE seek to provide master metering for this project, which will require a variance from the tariff requirements of Section II.K. of the Company's Schedule 5 – Schedule of Rates for Electric Service which would otherwise require the customer to upgrade the non-standard electric facilities (single meter) to individually meter the proposed renovated apartment building and from Section V.L. of the Company's Schedule 5 – Schedule of Rates for Electric Service which would otherwise would prohibit furnishing electric service by a customer to a third party as an unidentifiable rental component.

10. The project consists of renovating an existing apartment building (originally constructed forty-two years ago), consisting of 300 total units (60 one bedroom and 240 efficiencies). The mechanical systems consist of central HVAC units that are central to the building and a common gas hot water heating system

11. The customer has requested that one meter be installed to serve the building. The customer will be responsible for the payment of the bills for each apartment; therefore, individual metering will only increase initial construction costs for the owners, perhaps making the proposed project untenable based on financial costs. Furthermore, the main use of electricity (the HVAC system) will be metered on the house meter regardless of master or individual metering so the

3

single largest component of individual usage will not be metered individually regardless of this variance request. This new building will be billed on the Company's 3(M) rate.

12. AmerenUE estimates that individually metering each unit versus master metering would result in additional expenditures of approximately \$90 per apartment, or \$13,200 in total. The customer estimates savings of approximately \$1,625,000 to \$2,125,000 and a ten percent (10%) energy savings if the variance is approved. AmerenUE supports the customer's request for the metering of this project because of the overall cost-benefits.

13. The granting of this variance should not affect any other public utility.

14. Finally, in anticipation of Commission concerns that Grand View Tower residents

be informed that they will not be customers of AmerenUE, the Company suggests the

Commission require the following warning language be placed into the rental agreements by

Grand View Tower:

Notice to Residents Concerning the Provision of Electric Service at Grand View Tower

As a resident of Grand View Tower, you are not a customer of Union Electric d/b/a AmerenUE. The consumer protection provisions of AmerenUE's tariff on file with the Public Service Commission of the State of Missouri do not apply to Grand View Tower's provision of your electric service. Furthermore, the Missouri Public Service Commission does not regulate the service that will be offered. The terms and conditions of your electric service are as set forth in your contractual agreement with Grand View Tower. In the event of an interruption in electric service, please contact the Association which will, if necessary, contact AmerenUE.

WHEREFORE, for the foregoing reasons, AmerenUE, on behalf of the customer, respectfully requests a variance from the individual metering requirement of the company's tariffs, specifically of Section II.K. <u>Non-Standard Service</u> and Subpart V.L. <u>Rent Inclusion</u> of the

Company's Schedule 5 - Schedule of Rates for Electric Service, to allow master metering for the

Grand View Tower project in St. Louis, Missouri.

Respectfully submitted,

UNION ELECTRIC COMPANY d/b/a AmerenUE

By

Thomas M. Byrne, MBE No. 33340 Attorney for Ameren Services Company One Ameren Plaza 1901 Chouteau Avenue P.O. Box 66149 (MC 1310) St. Louis, MO 63166-6149 (314) 554-2514 (314) 554-4014 (FAX) tbyrne@ameren.com

Dated: January 20, 2006

CERTIFICATE OF SERVICE

The undersigned certifies that true and correct copies of the foregoing have been e-mailed or mailed, via first-class United States Mail, postage pre-paid, to the service list of record this 20th day of January, 2006.

General Counsel Office Missouri Public Service Commission P.O. Box 360 200 Madison Street, Suite 800 Jefferson City, MO 65102 GenCounsel@psc.mo.gov

Ronald Compton Grand View Tower LLC 8909 Ladue Road St. Louis, MO 63124 rcompton@scwh.com Lewis Mills Office Of Public Counsel P.O. Box 2230 200 Madison Street, Suite 650 Jefferson City, MO 65102 opcservice@ded.mo.gov

Mommin the

Thomas M. Byrne