

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of Union)	
Electric Company, doing business as)	
AmerenUE, for a Variance from the)	
Separate Metering Requirement of the)	Case No. EE-2004-0267
Commission's Rule for the Brentmoor)	
at Oaktree project located at 363)	
Jungermann Road, St. Peters, Missouri.)	

**REPLY TO THE ELECTRIC METER
VARIANCE COMMITTEE'S RECOMMENDATION**

COMES NOW Union Electric Company, d/b/a AmerenUE, and for its Reply to the Electric Meter Variance Committee's ("Committee") Recommendation, states as follows:

AmerenUE respectfully contests the Committee's statement that "the long-run benefits would exceed the costs of purchasing and installing separate meters, and that the long-term benefits could be significant". If the basis for the Committee's recommendation is the individual tenant's ability to control its electric bill by exercising control over its heating and ventilation and air conditioning usage, then the Committee is in error. The Owner has promoted and advertised that the individual tenant is only responsible for cable and telephone bills, essentially a "worry free living" arrangement. The Owner has informed AmerenUE that in order to avoid the negative public relations and consistent with the current living arrangements, it would assume full responsibility for payment of all the bills associated with the individual meters. That is, even if individual meters are installed, given the above representations and nature of the facility, the tenants' ability to control costs will not materialize. There will not be any realistic opportunity for the tenant to control the costs associated with its electric usage.

Further, AmerenUE through a single bill to the Owner would sum all the individual bills at the facility. As a result, the tenants would remain transparent to the change in metering and billing as recommended by the Committee. Correspondingly, it is unlikely that tenants would modify or change their usage of electricity.

The Committee's assumption that the individual resident will receive the financial benefits of the perceived individual conservation and efficiency efforts under individual metering is flawed, if the presumption is that the Owner will then bill each tenant based on its respective use of electricity. AmerenUE's tariff (see Sheet No. 175) prohibits the furnishing of electricity for resale with a separately identified charge. Therefore, the Owner will be unable to "rebill" the residents to reflect their actual usage.


The bills generated based on individual metering of the units will produce an estimated annual increase of approximately \$18,375 or sixty-one percent (61%). The Owner respectfully submits that such any increase is unjust considering that there is no and will likely be no change in the electricity used at this premises. The Committee's purported "conservation benefit" is far outweighed by the financial detriment associated with its recommendation.

Notably the Owner and its tenants want this particular financial arrangement. It is a cornerstone to the manner in which the property is operated. In this instance, AmerenUE respectfully request that due consideration be given to the unique arrangement that all parties desire.

In summary, AmerenUE respectfully requests that the variance be granted and that the Staff recommendation be denied. In the alternative, the Staff should be asked to reconsider its decision in light of the above and based on any other information.

Respectfully submitted,

UNION ELECTRIC COMPANY
d/b/a AmerenUE

By 
One of Its Attorneys

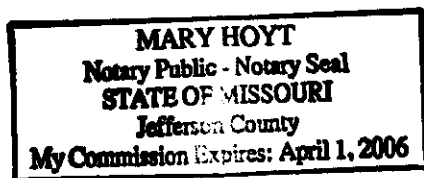
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VERIFICATION

STATE OF MISSOURI)
) SS.
CITY OF ST. LOUIS)

I, Edward C. Fitzhenry, an attorney for Union Electric Company, being duly sworn upon my oath, do hereby state that I have read the foregoing document and that the facts stated therein are true and correct to the best of my knowledge, information and belief, and that I am authorized to file such document on behalf of Union Electric Company.

Subscribed and sworn to before me this 9th day of February, 2004.



Mary Hoyt
Notary Public

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served on the Office of Public Counsel, by first class mail, postage prepaid, on this 9th day of February, 2004.

Edward C. Fitzhenry
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