


MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. EE-2003-0365, Union Electric Company d/b/a AmerenUE

FROM: Electric Meter Variance Committee


James Watkins, Utility Division


John Coffman, Office of the Public Counsel


Tim Ketter, Utility Division


Nathan Williams, Office of the General Counsel

SUBJECT: Recommendation for Approval of a Variance from Individual Electric Metering requirement for service to renovated buildings located at 3733 and 3745 Lindell Boulevard, St. Louis, Missouri.

DATE: April 18, 2003

On March 21, 2003 Restoration St. Louis, Inc. and New Lindell Towers, LLC filed an application for a variance from the individual metering requirement of 4 CSR 240-20.050(2) and from subpart K of Union Electric Company's Tariff Schedule 5, 6th Revised Sheet No. 144 issued February 14, 2003 and made effective March 17, 2003 for the renovation of 201 residential apartment rental units (91 in West Lindell Towers Place, 110 units in East Lindell Towers Place) located at 3733 and 3745 Lindell Boulevard, St. Louis, 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.

The project consists of the renovations of two buildings that were built circa the 1920's and, therefore, the footings for the buildings were poured prior to June 1, 1981. As redeveloped the buildings are to have 91 residential units (West Lindell Towers Place) and 110 residential units (East Lindell Towers Place). Air conditioning in each building is to be provided through a centralized air conditioning plant, and heat and hot water through central natural gas plants.

Through the applicants' verified statement that these buildings adjoin the Coronado Place apartments located at 3701 Lindell Boulevard, St. Louis, Missouri and the statements made in Commission Case No. EE-2002-1118, the variance committee is aware of economic development incentives in the area where the buildings are located. The applicants state that the buildings are close to St. Louis University and that the units will be marketed as student housing with a single payment for rent, heat, air conditioning, electric, telephone, internet connection and other services.

The Electric Meter Variance Committee is of the view that because the footings for the buildings that are the subject of this application were poured before June 1, 1981, no variance is required from the Commission's Separate Metering Rule—4 CSR 240-050. Therefore, the Electric Meter Variance Committee recommends that the Commission issue an order that no variance from that rule is required in this case.

In addition to the issue of the applicability of the Commission's Separate Metering Rule—4 CSR 240-050, relief has been requested from Union Electric Company d/b/a AmerenUE's Tariff Schedule 5, 6th Revised Sheet No. 144 issued February 14, 2003 and made effective March 17,

2003 which in subpart K provides that “premises” that are “remodeled or rehabilitated in any such manner that requires new, modified, enhanced or relocated electrical distribution supply facilities from [Union Electric] . . . shall be considered to have been constructed after June 1, 1981 for application of 4 CSR 240-20.050 of the Commission’s metering requirements”

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 little value to students living in these residential units. Furthermore, since one party will be responsible for paying the electric bill(s), individual consumers would not directly receive the financial benefits of individual conservation and efficiency efforts in any event; and receiving, processing and paying separate bills for electric service would be unnecessary and costly.

The Electric Meter Variance Committee, for good cause shown, recommends that the Commission issue an order granting a variance from subpart K of Union Electric Company’s Tariff Schedule 5, 6th Revised Sheet No. 144 issued February 14, 2003 and made effective March 17, 2003 for electric service to the apartments being renovated at 3733 and 3745 Lindell Boulevard, St. Louis, Missouri. The Electric Meter Variance Committee also recommends that, if the Commission grants the variance, the Commission order Union Electric Company to file revised tariff sheets to add this variance to the list of variances from the Commission’s Rule 4 CSR 240-20.050 that are now on file with the Commission.